



## Cantor Fitzgerald Income Trust, Inc. \$1,250,000,000 Maximum Offering

Cantor Fitzgerald Income Trust, Inc. is a Maryland corporation that has elected to be taxed as a real estate investment trust (“REIT”) beginning with the taxable year ending December 31, 2017. We are externally managed by our advisor, Cantor Fitzgerald Income Advisors, LLC, a Delaware limited liability company and wholly-owned subsidiary of our sponsor, Cantor Fitzgerald Investors, LLC. Our advisor and our sponsor are affiliated with Cantor Fitzgerald, L.P. (“Cantor”), a diversified organization specializing in financial services and real estate for institutional customers operating in the global financial and commercial real estate markets. We expect to use substantially all of the net proceeds from this offering to acquire a diversified portfolio of income-producing commercial and multifamily properties, as well as other real estate-related assets. This is our third public offering. We commenced our initial public offering on March 23, 2017 and raised \$461 million in our public offerings as of August 8, 2023.

We are offering on a continuous basis up to \$1,250,000,000 in shares of common stock, consisting of up to \$1,000,000,000 in shares in our primary offering and up to \$250,000,000 in shares pursuant to our distribution reinvestment plan. We are offering to sell in any combination of four classes of shares of our common stock: Class T shares, Class S shares, Class D shares, and Class I shares, with a dollar value up to the maximum offering amount. The share classes have different upfront selling commissions and dealer manager fees, and different ongoing distribution fees. Each class of shares will be sold at the then-current “transaction price,” plus applicable upfront selling commissions and dealer manager fees. The “transaction price” generally will be equal to the most recently determined net asset value (“NAV”) per share for such class, as determined on a monthly basis, however, we may offer shares at a price that we believe reflects the NAV per share of such stock more appropriately than the prior month’s NAV per share, including by updating a previously disclosed transaction price, in cases where we believe there has been a material change (positive or negative) to our NAV per share since the end of the prior month. This is a “best efforts” offering, which means that Cantor Fitzgerald & Co., the dealer manager for this offering, will use its best efforts to sell shares, but is not obligated to purchase or sell any specific amount of shares in this offering.

Although we do not intend to list our shares of common stock for trading on an exchange or other trading market, in an effort to provide our stockholders with liquidity in respect of their investment in our shares, we have adopted a share repurchase program whereby, subject to certain limitations, stockholders may request on a monthly basis that we redeem all or any portion of their shares. We may choose to redeem all, some or none of the shares that have been requested to be repurchased at the end of any particular month, in our discretion, not to exceed any limitations in the share repurchase program. The repurchase price per share for each class of common stock will equal the transaction price, subject to applicable reduction for early repurchase.

**Investing in shares of our common stock involves a high degree of risk. You should purchase shares only if you can afford a complete loss of your investment. See “Risk Factors” beginning on page 34. These risks include, among others:**

- This is a “blind pool” offering and we have not identified specific investments to acquire with the proceeds of this offering.
- This is a “best efforts” offering and if we raise substantially less than the maximum offering, we may not be able to invest in a diversified portfolio of income-producing commercial and multifamily properties, as well as other real estate-related assets.
- The transaction price may not accurately represent the value of our assets at any given time and the actual value of your investment may be substantially less. The transaction price generally will be based on our most recently disclosed monthly NAV of each class of common stock (subject to material changes as described above) and will not be based on any public trading market. In addition, the transaction price will not represent our enterprise value and may not accurately reflect the actual prices at which our assets could be liquidated on any given day, the value a third party would pay for all or substantially all of our shares, or the price at which our shares would trade on a national stock exchange. Further, our board of directors may amend our NAV procedures from time to time.
- The amount and timing of distributions we may make is uncertain. Distributions have been and may continue to be paid from sources other than cash flow from operations, including, without limitation, from borrowings, the sale of assets, or offering proceeds. The use of these sources for distributions may decrease the amount of cash we have available for new investments, share repurchases and other corporate purposes, and could reduce your overall return.
- There is no public trading market for our common stock and repurchase of shares by us will likely be the only way to dispose of your shares. We are not obligated to repurchase any shares under our share repurchase plan and may choose to repurchase only some, or even none, of the shares that have been requested to be repurchased. In addition, repurchases will be subject to available liquidity and other significant restrictions. Further, our board of directors may modify, suspend or terminate our share repurchase plan. As a result, our shares should be considered as having only limited liquidity and at times may be illiquid.
- All of our executive officers, some of our directors and other key real estate professionals are also officers, directors, managers and key professionals of our advisor, our dealer manager or other entities affiliated with Cantor, which we refer to as the Cantor Companies. As a result, they face conflicts of interest, including significant conflicts created by our advisor’s compensation arrangements with us and other Cantor-advised programs and investors.
- We may change our investment policies without stockholder notice or consent, which could result in investments that are different from those described in this prospectus.
- If we fail to qualify as a REIT, it would adversely affect our operations and our ability to make distributions to our stockholders.

	Price to the Public <sup>(1)</sup>	Upfront Selling Commissions <sup>(2)</sup>	Dealer Manager Fees <sup>(2)</sup>	Proceeds to Us, Before Expenses <sup>(2,3)</sup>
Maximum Primary Offering <sup>(4)</sup>	\$1,000,000,000	\$17,632,850	\$2,657,290	\$979,710,145
Class T shares, per share	\$ 22.84	\$ 0.66210	\$ 0.11035	\$ 22.07
Class S shares, per share	\$ 22.84	\$ 0.77245	\$ —	\$ 22.07
Class D shares, per share	\$ 22.08	\$ —	\$ —	\$ 22.08
Class I shares, per share	\$ 22.08	\$ —	\$ —	\$ 22.08
Maximum Distribution Reinvestment Plan	\$ 250,000,000	\$ —	\$ —	\$250,000,000

- (1) The price per share shown is the transaction price, which is equal to each class’s NAV per share as of December 31, 2023, plus applicable selling commissions and dealer manager fees. Shares will be issued on a monthly basis at a price per share generally equal to the most recently determined NAV per share for such class, plus, in the case of shares sold in the primary offering, applicable upfront selling commissions and dealer manager fees.
- (2) The table assumes that all shares are sold in the primary offering, with 55% of the gross offering proceeds from the sale of Class T shares, 5% of the gross offering proceeds from the sale of Class S shares, 15% from the sale of Class D shares and 25% from the sale of Class I shares, which are estimated based on the reported sales of similar products. The number of shares of each class sold and the relative proportions in which the classes of shares are sold are uncertain and may differ significantly from this assumption. For Class T shares sold in the primary offering, investors will pay upfront selling commissions of up to 3.0% of the transaction price and upfront dealer manager fees of 0.5% of the transaction price, however such amounts may vary at certain participating broker-dealers, provided that the sum will not exceed 3.5% of the transaction price. For Class S shares sold in the primary offering, investors will pay upfront selling commissions of up to 3.5% of the transaction price. We will also pay the following selling commissions over time as distribution fees to the dealer manager, subject to Financial Industry Regulatory Authority, Inc. (“FINRA”) limitations on underwriting compensation: (a) for Class T shares only, an advisor distribution fee of 0.65% per annum, and a dealer distribution fee of 0.20% per annum, of the aggregate NAV for the Class T shares, however, with respect to Class T shares sold through certain participating broker-dealers, the advisor distribution fee and the dealer distribution fee may be other amounts, provided that the sum of such fees will always equal 0.85% per annum of the NAV of such shares, (b) for Class S shares only, a distribution fee equal to 0.85% per annum of the aggregate NAV for the Class S shares and (c) for Class D shares only, a distribution fee equal to 0.25% per annum of the aggregate NAV for the Class D shares, in each case, payable monthly. No distribution fees will be paid with respect to the Class I shares. The total amount that will be paid over time for other underwriting compensation depends on the average length of time for which shares remain outstanding, the term over which such amount is measured and the performance of our investments. We will also pay or reimburse certain organization and offering expenses, including, subject to FINRA limitations on underwriting compensation, certain wholesaling expenses. See “Plan of Distribution,” “Estimated Use of Proceeds” and “Management Compensation.”
- (3) Proceeds are calculated before deducting organization and offering expenses payable by us, which are paid over time.
- (4) We reserve the right to reallocate shares of common stock between our primary offering and our distribution reinvestment plan.

**Neither the Securities and Exchange Commission, the Attorney General of the State of New York nor any other state securities regulator has approved or disapproved of our common stock, determined if this prospectus is truthful or complete or passed on or endorsed the merits of this offering, or determined whether the securities offered hereby can be sold in compliance with applicable conduct standards, including the standard imposed under Regulation Best Interest. Any representation to the contrary is a criminal offense.**

**This investment involves a high degree of risk. You should purchase these securities only if you can afford a complete loss of your investment. The use of projections or forecasts in this offering is prohibited. No one is permitted to make any oral or written predictions about the cash benefits or tax consequences you will receive from your investment.**

The date of this prospectus is February 7, 2024.

## SUITABILITY STANDARDS

The shares we are offering through this prospectus are suitable only as a long-term investment for persons of adequate financial means and who have no need for liquidity in this investment. Because there is no public market for our shares, you will have difficulty selling your shares.

In consideration of these factors, we have established suitability standards for investors in this offering and subsequent purchasers of our shares. These suitability standards require that a purchaser of shares have either:

- a net worth of at least \$250,000; or
- gross annual income of at least \$70,000 and a net worth of at least \$70,000.

The states listed below have established suitability requirements that are in addition to ours and are different from that which we have outlined above, and investors in these states are directed to the following special suitability standards:

- **Alabama**—Alabama investors must represent that, in addition to meeting our suitability standards listed above, they have a liquid net worth of at least ten times their investment in us and our affiliates.
- **California**—A California investor must have a net worth of at least \$350,000 or, in the alternative, an annual gross income of at least \$70,000 and a net worth of \$150,000, and the total investment in our offering may not exceed 10% of the investor's net worth.
- **Idaho**—Investors who reside in the state of Idaho must have either: (i) a liquid net worth of \$85,000 and annual income of \$85,000 or (ii) a liquid net worth of \$300,000. Additionally, an Idaho's investor's total investment in us shall not exceed 10% of his or her liquid net worth. "Liquid net worth" is defined for purposes of this investment as that portion of net worth consisting of cash, cash equivalents and readily marketable securities.
- **Iowa**—In addition to our suitability requirements, an Iowa investor must have either: (i) a minimum net worth of \$350,000 (exclusive of home, auto and furnishings); or (ii) a minimum annual gross income of \$70,000 and a net worth of \$100,000 (exclusive of home, auto and furnishings). In addition, an investor's total investment in our shares or any of our affiliates, and the shares of any other non-exchange-traded REIT, cannot exceed 10% of the Iowa resident's liquid net worth. "Liquid net worth" for purposes of this investment shall consist of cash, cash equivalents and readily marketable securities. Investors who are accredited investors within the meaning of the federal securities laws are not subject to the foregoing investment concentration limit.
- **Kansas**—It is recommended by the Office of the Kansas Securities Commissioner that Kansas investors limit their aggregate investment in our securities and other similar investments to not more than 10% of their liquid net worth. Liquid net worth shall be defined as that portion of the purchaser's total net worth that is comprised of cash, cash equivalents, and readily marketable securities, as determined in conformity with GAAP.
- **Kentucky**—Kentucky investors may not invest more than 10% of their liquid net worth in us or our affiliates.
- **Maine**—The Maine Office of Securities recommends that an investor's aggregate investment in this offering and similar direct participation investments not exceed 10% of the investor's liquid net worth. For this purpose, "liquid net worth" is defined as that portion of net worth that consists of cash, cash equivalents and readily marketable securities.
- **Massachusetts**—Massachusetts investors must have either, (a) a minimum liquid net worth of at least \$100,000 and a minimum annual gross income of not less than \$85,000, or (b) a minimum liquid net worth of at least \$350,000. For these purposes, "liquid net worth" is defined as that portion of net worth (total assets exclusive of home furnishings, and automobiles, minus total liability) that consists of cash, cash equivalent and readily marketable securities. In addition, Massachusetts investors may not invest more than 10% of their liquid net worth in this and other illiquid direct participation investments.

- **Missouri**—No more than ten percent (10%) of any one Missouri investor’s liquid net worth shall be invested in the offering.
- **Nebraska**—Nebraska investors must (i) have either (a) an annual gross income of at least \$100,000 and a net worth of at least \$100,000, or (b) a net worth of at least \$350,000; and (ii) limit their investment in us and in the securities of other non-publicly traded REITs to 10% of such investor’s net worth (exclusive of home, home furnishings, and automobiles). Investors who are accredited investors within the meaning of the federal securities laws are not subject to the foregoing investment concentration limit.
- **Nevada**—A Nevada investor’s aggregate investment in us must not exceed 10% of the investor’s net worth (exclusive of home, furnishings and automobiles).
- **New Jersey**—New Jersey investors must have either, (a) a minimum liquid net worth of at least \$100,000 and a minimum annual gross income of not less than \$85,000, or (b) a minimum liquid net worth of at least \$350,000. For these purposes, “liquid net worth” is defined as that portion of net worth (total assets exclusive of home furnishings, and automobiles, minus total liability) that consists of cash, cash equivalent and readily marketable securities. In addition, a New Jersey investor’s investment in us, our affiliates, and other non-publicly traded direct investment programs (including real estate investment trusts, business development companies, oil and gas programs, equipment leasing programs and commodity pools, but excluding unregistered, federally and state exempt private offerings) may not exceed ten percent (10%) of his or her liquid net worth.
- **New Mexico**—A New Mexico investor’s aggregate investment in our offering, the offerings of our affiliates and the offerings of other non-traded REITs may not exceed 10% of the investor’s liquid net worth.
- **North Dakota**—North Dakota residents must represent that, in addition to the suitability standards listed above, they have a net worth of at least ten times their investment in us.
- **Ohio**—Purchasers residing in Ohio may not invest more than 10% of their liquid net worth in us, our affiliates and other non-traded real estate investment programs. For these purposes, “liquid net worth” is defined as that portion of net worth (total assets exclusive of home, home furnishings, and automobiles minus total liabilities) that is comprised of cash, cash equivalents, and readily marketable securities.
- **Oregon**—An Oregon investor’s aggregate investment in us may not exceed 10% of the investor’s liquid net worth.
- **Pennsylvania**—A Pennsylvania investor’s aggregate investment in our offering may not exceed 10% of the investor’s net worth.
- **Puerto Rico**—In addition to our suitability requirements, Puerto Rico investors may not invest more than 10% of their liquid net worth in us, our affiliates, and in other non-traded REITs. For these purposes, “liquid net worth” is defined as that portion of net worth (total assets exclusive of primary residence, home furnishings, and automobiles minus total liabilities) consisting of cash, cash equivalents, and readily marketable securities.
- **Tennessee**—In addition to our suitability requirements, Tennessee residents’ investment must not exceed ten percent (10%) of their liquid net worth (excluding the value of an investor’s home, furnishings and automobiles).
- **Vermont**—In addition to the suitability standards described above, non-accredited Vermont investors may not purchase an amount in this offering that exceeds 10% of the investor’s liquid net worth. For these purposes, “liquid net worth” is defined as an investor’s total assets (not including home, home furnishings, or automobiles) minus total liabilities.

For purposes of determining the suitability of an investor, net worth (total assets minus total liabilities) in all cases should be calculated excluding the value of an investor's home, home furnishings and automobiles. Liquid net worth is defined as that portion of net worth that consists of cash, cash equivalents and readily marketable securities. In the case of sales to fiduciary accounts (such as individual retirement accounts, or IRAs, Keogh Plans or pension or profit-sharing plans), these suitability standards must be met by the fiduciary account, by the person who directly or indirectly supplied the funds for the purchase of the shares if such person is the fiduciary or by the beneficiary of the account.

Our sponsor, those selling shares on our behalf and participating broker-dealers and registered investment advisors recommending the purchase of shares in this offering must make every reasonable effort to determine that the purchase of shares in this offering is a suitable and appropriate investment for each stockholder based on information provided by the stockholder regarding the stockholder's financial situation and investment objectives.

On June 5, 2019, the SEC adopted Regulation Best Interest, which establishes a new standard of conduct for broker-dealers and natural persons who are associated persons of a broker-dealer under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), that may be interpreted as a higher standard than suitability. Broker-dealers must comply with Regulation Best Interest commencing June 30, 2020. The obligations of Regulation Best Interest are in addition to, and may be more restrictive than, the suitability requirements listed above. Regulation Best Interest includes the general obligation that broker-dealers shall act in the "best interest" of retail customers in making any recommendation of any securities transaction or investment strategy, without putting the financial or other interests of the broker-dealer ahead of the retail customer. The general obligation can be satisfied by the broker-dealer's compliance with four specified component obligations: (i) provide certain required disclosure before or at the time of the recommendation, about the recommendation and the relationship between the broker-dealer and the retail customer; (ii) exercise reasonable diligence, care, and skill in making the recommendation; (iii) establish, maintain, and enforce written policies and procedures reasonably designed to address conflicts of interest; and (iv) establish, maintain, and enforce written policies and procedures reasonably designed to achieve compliance with Regulation Best Interest. The obligations imposed on broker-dealers pursuant to Regulation Best Interest may be interpreted as requiring a higher standard than the applicable suitability standards set forth above. In addition, broker-dealers are required to provide retail investors a brief relationship summary, or Form CRS, that summarizes for the investor key information about the broker-dealer. Form CRS is different from this prospectus, which contains information regarding this offering and our company. The impact of Regulation Best Interest on broker-dealers participating in our offering cannot be determined at this time as no administrative or case law exists under Regulation Best Interest and the full scope of its applicability is uncertain.

### **Minimum Investments**

Subject to the restrictions imposed by state law, we will sell Class T shares, Class S shares and Class D shares to investors who initially invest at least \$2,500 and Class I shares to investors who initially invest at least \$1,000,000, unless waived by us.

In order to satisfy the initial minimum purchase requirements for retirement plans, unless otherwise prohibited by state law, a husband and wife may jointly contribute funds from their separate IRAs. You should note that an investment in shares of our common stock will not, in itself, create a retirement plan.

You must obtain our approval prior to any transfer of your shares if, as a result of such transfer, you or the transferee will own less than the initial minimum purchase requirement, unless you are transferring all of your shares, such transfer is made on behalf of a plan, or such transfer is made by gift, inheritance, intra-family transfer or family dissolution. In addition, no transfer or assignment may be made of a fractional share without our prior approval.

You should rely only on the information contained in this prospectus. We have not authorized anyone to provide you with information inconsistent with that contained in this prospectus. We are offering to sell, and seeking offers to buy, our common shares only in jurisdictions where such offers and sales are permitted.

## HOW TO SUBSCRIBE

Investors who meet the suitability standards described herein may purchase shares of our common stock. See “Suitability Standards” and “Plan of Distribution” for the suitability standards. Investors seeking to purchase shares of our common stock should proceed as follows:

- Read this entire prospectus and any appendices and supplements accompanying this prospectus.
- Complete the execution copy of the applicable subscription agreement. A specimen copy of the subscription agreement, including instructions for completing it, is included in this prospectus as Appendix A. Each subscription agreement includes representations covering, among other things, suitability. Subscription agreements may be executed manually or by electronic signature except where the use of such electronic signature has not been approved by our dealer manager. Should you execute the subscription agreement electronically, your electronic signature, whether digital or encrypted, included in the subscription agreement is intended to authenticate the subscription agreement and to have the same force and effect as a manual signature.
- Deliver a check, submit a wire transfer, instruct your broker to make payment from your brokerage account or otherwise deliver funds for the full purchase price of the shares of our common stock being subscribed for along with the completed subscription agreement to the soliciting broker dealer. Your check should be made payable to, or wire transfers directed to “Cantor Fitzgerald Income Trust, Inc.” or “Cantor Fitzgerald Income Trust.” For Class T, Class S and Class D shares, after you have satisfied the applicable minimum purchase requirement of \$2,500, additional purchases must be in increments of \$500. For Class I shares, after you have satisfied the applicable minimum purchase requirement of \$1,000,000, additional purchases must be in increments of \$500, unless such minimums are waived by our dealer manager. The minimum subsequent investment does not apply to purchases made under our distribution reinvestment plan.

By executing the subscription agreement and paying the total purchase price for the shares of our common stock subscribed for, each investor agrees to accept the terms of the subscription agreement and attests that the investor meets the minimum income and net worth standards as described in this prospectus. Subscriptions will be effective only upon our acceptance, and we reserve the right to reject any subscription in whole or in part.

A sale of the shares to a subscriber may not be completed until at least five business days after the subscriber receives our final prospectus. Subscriptions to purchase our common stock may be made on an ongoing basis, but investors may only purchase our common stock pursuant to accepted subscription orders as of the first calendar day of each month (based on the prior month’s transaction price), and to be accepted, a subscription request must be made with a completed and executed subscription agreement in good order, including satisfying any additional requirements imposed by the subscriber’s broker-dealer, and payment of the full purchase price of our common stock being subscribed at least five business days prior to the first calendar day of the month (unless waived by the dealer manager or otherwise agreed to between the dealer manager and the applicable participating broker-dealer). For example, if you wish to subscribe for shares of our common stock in October, your subscription request must be received in good order at least five business days before November 1. Generally, the offering price will equal the NAV per share of the applicable class as of the last calendar day of September, plus applicable upfront selling commissions and dealer manager fees. If accepted, your subscription will be effective on the first calendar day of November.

Completed subscription requests will not be accepted by us before the later of (i) two business days before the first calendar day of each month and (ii) three business days after we make the transaction price (including any subsequent revised transaction price in the circumstances described below) publicly available by posting it on our website at [www.cfincometrust.com](http://www.cfincometrust.com) and filing a prospectus supplement with the SEC (or in certain cases after we have delivered notice of such price directly to subscribers as discussed below). Subscribers are not committed to purchase shares at the time their subscription orders are submitted and any subscription may be canceled at any



time before the time it has been accepted as described in the previous sentence. As a result, you will have a minimum of three business days after the transaction price for that month has been disclosed to withdraw your request before you are committed to purchase the shares. Generally, you will not be provided with direct notice of the transaction price when it becomes available. Therefore, if you wish to know the transaction price prior to your subscription being accepted you must check our website or our filings with the SEC prior to the time your subscription is accepted.

However, if the transaction price is not made available on or before the eighth business day before the first calendar day of the month (which is six business days before the earliest date we may accept subscriptions), or a previously disclosed transaction price for that month is changed, then we will provide notice of such transaction price (and the first day on which we may accept subscriptions) directly to subscribing investors when such transaction price is made available. In such cases, you will have at least three business days from delivery of such notice before your subscription is accepted.

If for any reason we reject the subscription, or if the subscription request is canceled before it is accepted or withdrawn as described below, we will return the subscription agreement and the related funds, without interest or deduction, within ten business days after such rejection, cancellation or withdrawal.

An approved trustee must process and forward to us subscriptions made through individual retirement accounts, or "IRAs," Keogh plans and 401(k) plans. In the case of investments through IRAs, Keogh plans and 401(k) plans, we will send the confirmation and notice of our acceptance to the trustee.

Shares of our common stock purchased by a fiduciary or custodial account will be registered in the name of the fiduciary account and not in the name of the beneficiary. If you place an order to buy shares and your payment is not received and collected, your purchase may be canceled and you could be liable for any losses or fees we have incurred.

### ***Purchase Price***

Shares will generally be sold at the prior month's NAV per share of the class of share being purchased, plus applicable upfront selling commissions and dealer manager fees. Although the price you pay for shares of our common stock will generally be based on the prior month's NAV per share, the NAV per share of such stock for the month in which you make your purchase may be significantly different. We may offer shares at a price that we believe reflects the NAV per share of such stock more appropriately than the prior month's NAV per share (including by updating a previously disclosed offering price) or suspend our offering in cases where we believe there has been a material change (positive or negative) to our NAV per share since the end of the prior month. Each class of shares may have a different NAV per share because distribution fees are charged differently with respect to each class. See "Net Asset Value Calculation and Valuation Procedures" for more information about the calculation of NAV per share.

If you participate in our distribution reinvestment plan, the cash distributions attributable to the class of shares that you purchase in our primary offering will be automatically invested in additional shares of the same class. Shares are offered pursuant to our distribution reinvestment plan at the transaction price at the time the distribution is payable, which will generally be equal to our prior month's NAV per share for that share class.

We will generally adhere to the following procedures relating to purchases of shares of our common stock in this continuous offering:

- On each business day, our transfer agent will collect subscription orders. Notwithstanding the submission of an initial subscription order, we can reject subscription orders for any reason, even if a prospective investor meets the minimum suitability requirements outlined in our prospectus. Investors may only purchase our common stock pursuant to accepted subscription orders as of the first calendar

day of each month (based on the prior month's transaction price), and to be accepted, a subscription request must be made with a completed and executed subscription agreement in good order and payment of the full purchase price of our common stock being subscribed at least five business days prior to the first calendar day of the month. If a subscription order is received less than five business days prior to the first calendar day of the month, unless waived by our dealer manager, the subscription order will be executed in the next month's closing at the transaction price applicable to that month, plus applicable upfront selling commissions and dealer manager fees. As a result of this process, the price per share at which your order is executed may be different than the price per share for the month in which you submitted your subscription order.

- Generally, within 15 calendar days after the last calendar day of each month, we will determine our NAV per share for each share class as of the last calendar day of the prior month, which will generally be the transaction price for the then-current month for such share class.
- Completed subscription requests will not be accepted by us before the later of (i) two business days before the first calendar day of each month and (ii) three business days after we make the transaction price (including any subsequent revised transaction price in the circumstances described below) publicly available by posting it on our website and filing a prospectus supplement with the SEC.
- Subscribers are not committed to purchase shares at the time their subscription orders are submitted and any subscription may be canceled at any time before the time it has been accepted as described in the previous sentence. You may withdraw your purchase request by notifying the transfer agent, through your financial intermediary or directly on our toll-free, automated telephone line, 855-9-CANTOR.
- You will receive a confirmation statement of each new transaction in your account as soon as practicable but generally not later than seven business days after the stockholder transactions are settled. The confirmation statement will include information on how to obtain information we have filed with the SEC and made publicly available on our website, [www.cfincometrust.com](http://www.cfincometrust.com), including supplements to the prospectus.

Our transaction price will generally be based on our prior month's NAV. Our NAV may vary significantly from one month to the next. Through our website at [www.cfincometrust.com](http://www.cfincometrust.com) and prospectus supplement filings, you will have information about the transaction price and NAV per share. We may set a transaction price that we believe reflects the NAV per share of our stock more appropriately than the prior month's NAV per share (including by updating a previously disclosed offering price) or suspend our offering in cases where we believe there has been a material change (positive or negative) to our NAV per share since the end of the prior month. If the transaction price is not made available on or before the eighth business day before the first calendar day of the month (which is six business days before the earliest date we may accept subscriptions), or a previously disclosed transaction price for that month is changed, then we will provide notice of such transaction price (and the first day on which we may accept subscriptions) directly to subscribing investors when such transaction price is made available.

You may buy or request that we repurchase shares of our common stock through your financial advisor, a participating broker-dealer or other financial intermediary that has a selling agreement with our dealer manager. Because an investment in our common stock involves many considerations, your financial advisor or other financial intermediary may help you with this decision. Due to the illiquid nature of investments in real estate, our shares of common stock are only suitable as a long-term investment. Because there is no public market for our shares, stockholders may have difficulty selling their shares if we choose to repurchase only some, or even none, of the shares that have been requested to be repurchased in any particular month, in our discretion, or if our board of directors modifies, suspends or terminates the share repurchase plan.

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## QUESTIONS AND ANSWERS ABOUT THIS OFFERING

### *What is Cantor Fitzgerald Income Trust, Inc.?*

Cantor Fitzgerald Income Trust, Inc. was formed as a Maryland corporation that has elected to qualify as a real estate investment trust (“REIT”) beginning with the taxable year ending December 31, 2017. We are externally managed by Cantor Fitzgerald Income Advisors, LLC, a Delaware limited liability company and wholly-owned subsidiary of our sponsor, Cantor Fitzgerald Investors, LLC. We are a commercial real estate company that intends to invest in a diversified portfolio of income-producing commercial and multifamily properties, as well as other real estate-related assets, located primarily in the United States. As of August 10, 2020, we began operating as a non-exchange traded perpetual REIT with no targeted liquidity window instead of operating as a finite-life REIT.

We were incorporated in the State of Maryland on February 2, 2016 under the name Rodin Global Access Property Trust, Inc. On September 12, 2016, we changed our name to Rodin Global Property Trust, Inc. and on July 30, 2020, we changed our name to Cantor Fitzgerald Income Trust, Inc.

As of December 31, 2023, our portfolio consists of interests in 20 real properties (including through interests in DSTs), and a plot of land with an aggregate contract purchase price, net of minority ownership interests, of \$479,496,708, a preferred equity investment in the amount of \$11,805,000 and mezzanine loan in the principal amount of \$12,595,000. As of December 31, 2023, we own 100% of our real properties with the exception of our interests in the SF Property, Station DST Property, Keller Property, Summerfield Property, Valencia Property, Kacey Property, Industry Property, Longmire Property, ON3 Property, West End Property, Pearland Property and Palms Property, each as defined below.

We own and plan to continue to own substantially all of our assets and conduct our operations through Cantor Fitzgerald Income Trust Operating Partnership, LP, which we refer to as our operating partnership in this prospectus. We are the sole general partner and limited partner of the operating partnership and our sponsor’s wholly owned subsidiary, Cantor Fitzgerald Income Trust OP Holdings, LLC, is the sole special unit holder of the operating partnership. Except where the context suggests otherwise, the terms “we,” “us,” “our” and “our company” refer to Cantor Fitzgerald Income Trust, Inc., together with its subsidiaries, including the operating partnership and its subsidiaries, and all assets held through such subsidiaries.

Our external advisor, Cantor Fitzgerald Income Advisors, LLC, which we refer to as our advisor in this prospectus, will conduct our operations and manage our portfolio of investments. We have no direct employees. Our advisor is affiliated with Cantor, a diversified organization specializing in financial services and real estate for institutional customers operating in the global financial and commercial real estate markets. We believe that our affiliation with Cantor provides us with unique insight and in-depth knowledge of global financial markets and local real estate dynamics. In addition, we believe our advisor’s affiliation with Newmark Group, Inc. (“Newmark”) will provide us with access to potential investment opportunities, many of which we believe will not be available to our competitors. Newmark offers a range of services, including leasing and corporate advisory, property management and investment sales to real estate tenants, owners, investors and developers.

Our office is located at 110 E. 59th Street, New York, NY 10022. Our telephone number is (212) 938-5000, and our web site address is [www.cfincometrust.com](http://www.cfincometrust.com).

As of December 31, 2023, we received gross proceeds of approximately \$468 million from our public offerings, including \$23 million from our distribution reinvestment plan. Although Class AX, Class TX and Class IX shares of our common stock, which we refer to individually as Class AX shares, Class TX shares and Class IX shares, and collectively as the IPO shares, remain outstanding, we are not offering the IPO shares in this follow-on offering. Until July 30, 2020 the Class AX shares, Class TX shares and Class IX shares were designated as Class A shares, Class T shares and Class I shares. The Class AX shares, Class TX shares and

Class IX generally shares have the same rights, including voting rights, as the Class T shares, Class S shares, Class D shares and Class I shares that we are offering pursuant to this follow-on offering. As of December 31, 2023, our aggregate NAV was \$323 million.

### ***What is a REIT?***

In general, a REIT is an entity that:

- combines the capital of many investors to acquire or provide financing for real estate and real estate-related investments;
- allows individual investors to invest in a professionally managed, large-scale, diversified portfolio of real estate-related investments;
- pays distributions to investors of at least 90% of its annual REIT taxable income (computed without regard to the dividends paid deduction and excluding net capital gain); and
- avoids the “double taxation” treatment of income that normally results from investments in a corporation because a REIT is not generally subject to federal corporate income taxes on that portion of its income distributed to its stockholders, provided certain income tax requirements are satisfied.

Under the Internal Revenue Code of 1986, as amended (the “Internal Revenue Code”), REITs are subject to numerous organizational and operational requirements. If we fail to qualify for taxation as a REIT in any year after electing REIT status, our income will be taxed at regular corporate rates, and we may be precluded from qualifying for treatment as a REIT for the four-year period following the year in which we fail to qualify. Even if we qualify as a REIT for federal income tax purposes, we may still be subject to state and local taxes on our income and property and to federal income and excise taxes on our undistributed income. We have elected to qualify as a REIT for U.S. federal income tax purposes commencing with the taxable year that ended on December 31, 2017.

### ***What is an “UPREIT”?***

We own substantially all of our assets and conduct our operations, directly or indirectly, through a limited partnership called Cantor Fitzgerald Income Trust Operating Partnership, LP, or our operating partnership. We refer to partnership interests in our operating partnership as operating partnership units or common units. We refer to the special partnership interests in our operating partnership as special units. We are the sole general partner and limited partner of the operating partnership and our sponsor’s wholly owned subsidiary, Cantor Fitzgerald Income Trust OP Holdings, LLC, is the sole special unit holder of the operating partnership. Because we conduct substantially all of our operations through an operating partnership, we are organized as an umbrella partnership real estate investment trust, or “UPREIT.”

### ***What kind of offering is this?***

In this follow-on offering, through our dealer manager, we are offering up to \$1 billion in any combination of Class T shares, Class S shares, Class D shares, and Class I shares to the public in a primary offering on a best efforts basis. We are also offering up to \$250 million in any combination of Class T shares, Class S shares, Class D shares, and Class I shares to be issued pursuant to our distribution reinvestment plan. We reserve the right to reallocate the shares of common stock being offered between classes of shares being offered and between the primary offering and the distribution reinvestment plan.

In our initial public offering, we offered Class AX shares, Class TX shares and Class IX shares, collectively referred to herein as the IPO Shares. Although the IPO Shares remain outstanding, we are not offering any IPO Shares in this offering, but we intend to continue paying distributions on any outstanding IPO Shares.

***What is the per share purchase price?***

Each class of shares will be sold at the then-current transaction price, which generally will be equal to the most recently determined NAV per share for such class, plus applicable upfront selling commissions and dealer manager fees. Although the offering price for shares of our common stock will generally be based on the prior month's NAV per share, the NAV per share as of the date on which your purchase is settled may be significantly different. We may offer shares at a price that we believe reflects the NAV per share of such stock more appropriately than the prior month's NAV per share, including by updating a previously disclosed transaction price, in cases where we believe there has been a material change (positive or negative) to our NAV per share since the end of the prior month.

***How will your NAV per share be calculated?***

Our NAV is calculated monthly based on the net asset values of our investments (including securities investments), the addition of any other assets (such as cash on hand) and the deduction of any other liabilities. We engaged Robert A. Stanger & Co., Inc. (the "Independent Valuation Firm", or "Stanger") to serve as our independent valuation firm with respect to the monthly valuation of our assets and liabilities and to calculate our NAV. Periodic real property appraisals will serve as the foundation of the independent valuation firm's valuation. The Independent Valuation Firm will discharge its responsibilities in accordance with our valuation guidelines. The valuations of our properties will be updated at least annually, based on the current market data and other relevant information, with review and confirmation for reasonableness by our advisor. Our board of directors, including a majority of our independent directors, may replace the Independent Valuation Firm with another third party or retain another third-party firm to calculate the NAV for each of our share classes, if it is deemed appropriate to do so. The advisor is responsible for reviewing and confirming our NAV, and overseeing the process around the calculation of our NAV, in each case, as performed by the Independent Valuation Firm.

Our board of directors will not be involved in the monthly valuation of our assets and liabilities, but will periodically receive and review such information about the valuation of our assets and liabilities as it deems necessary to exercise its oversight responsibility. Our NAV per share for each class of shares will be calculated by the Independent Valuation Firm, and such calculation will be reviewed and confirmed by our advisor. See "Net Asset Value Calculation and Valuation Procedures" for more information regarding the calculation of our NAV per share of each class and how our properties and real estate-related securities will be valued. We expect that we will publish the NAV per share generally within 15 calendar days following the last calendar day of each month. Promptly following any adjustment to the transaction price per share, we will file a prospectus supplement or post-effective amendment to the registration statement with the Securities and Exchange Commission, or the SEC, disclosing the adjusted transaction price and the effective date of such adjusted transaction prices. We also will post the updated information on our website at [www.cfincometrust.com](http://www.cfincometrust.com). The new NAV per share generally will be the new transaction price for each share class.

***How does a "best efforts" offering work?***

When shares are offered on a "best efforts" basis, the dealer manager is required to use only its best efforts to sell the shares and it has no firm commitment or obligation to purchase any of the shares. Therefore, we may sell substantially less than the all of the shares that we are offering.

***What is the difference between the Class T, Class S, Class D and Class I Shares Being Offered?***

We are offering to the public four classes of shares of our common stock: Class T shares, Class S shares, Class D shares and Class I shares. The differences among the share classes relate to upfront selling commissions, dealer manager fees and distribution fees. No upfront selling commissions or dealer manager fees will be paid with respect to Class D shares, and no upfront selling commissions, dealer manager fees or distribution fees will be paid with respect to Class I shares. The per share amount of distributions on Class T, Class S, Class D and Class I shares generally differ because of different class-specific distribution fees that are deducted from the gross

distributions for each share class. Specifically, distributions on Class T and Class S shares will be lower than Class D shares, and Class D shares will be lower than Class I shares because we are required to pay higher ongoing distribution fees with respect to the Class T and Class S shares (compared to Class D shares and Class I shares) and we are required to pay higher ongoing distribution fees with respect to Class D shares (compared to Class I shares). See “Description of Shares” and “Plan of Distribution” for a discussion of the differences between our Class T shares, Class S shares, Class D shares and Class I shares.

Assuming a constant net asset value per share of \$25.00 and assuming applicable upfront selling commissions, dealer manager and distribution fees are paid until the 8.75% of gross proceeds limit described in “Management Compensation—Distribution Fees” is reached, we expect that a one-time investment in 1,000 shares of each class of our shares (representing an aggregate net asset value of \$25,000 for each class) would be subject to the following upfront selling commissions, dealer manager fees and distribution fees (dollar amounts rounded to nearest ten cents):

	Upfront Selling Commissions	Dealer Manager Fees	Annual Distribution Fees	Maximum Distribution Fees Over Life of Investment (Length of Time)	Total (Length of Time)
<b>Class T Shares</b> . . . . .	\$750	\$125	\$212.5	\$1,312.5 (6.18 years)	\$2,187.50 (6.18 years)
<b>Class S Shares</b> . . . . .	\$875	\$ 0	\$212.5	\$1,312.5 (6.18 years)	\$2,187.50 (6.18 years)
<b>Class D Shares</b> . . . . .	\$ 0	\$ 0	\$ 62.5	\$2,187.5 (35 years)	\$2,187.50 (35 years)
<b>Class I Shares</b> . . . . .	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Class T shares and Class S shares are available through brokerage and transaction-based accounts. Class D shares are generally available for purchase in this offering only (1) through fee-based programs, also known as wrap accounts, that provide access to Class D shares, (2) through participating broker dealers that have alternative fee arrangements with their clients to provide access to Class D shares, (3) through certain registered investment advisers, (4) through bank trust departments or any other organization or person authorized to act in a fiduciary capacity for its clients or customers or (5) by other categories of investors that we name in an amendment or supplement to this prospectus. Class I shares are generally available for purchase in this offering only (1) through fee-based programs, also known as wrap accounts, that provide access to Class I shares, (2) by endowments, foundations, pension funds and other institutional investors, (3) through participating broker dealers that have alternative fee arrangements with their clients to provide access to Class I shares, (4) by our executive officers and directors and their immediate family members, as well as officers and employees of our advisor, Cantor or other affiliates and their immediate family members, and, if approved by our board of directors, joint venture partners, consultants and other service providers, (5) through certain registered investment advisers or (6) by other categories of investors that we name in an amendment or supplement to this prospectus. Before making your investment decision, please consult with your investment adviser regarding your account type and the classes of common stock you may be eligible to purchase.

Certain participating broker dealers may offer volume discounts, which would reduce upfront selling commissions and would therefore increase the length of time required for selling commissions, dealer manager fees and distribution fees to reach 8.75% of gross proceeds. In the case of shares sold through certain participating broker dealers, a lower limit than 8.75% of gross proceeds may be used, as set forth in any applicable agreement between the dealer manager and the participating broker dealer. See “Plan of Distribution—Underwriting Compensation.”

If you are eligible to purchase all four classes of shares, then in most cases you should purchase Class I shares because Class I shares have no upfront selling commissions, dealer manager fees or distribution fees, which will reduce the NAV or distributions of the other share classes. While no upfront selling commissions, dealer manager fees or distribution fees will be paid with respect to the Class I shares, the financial intermediaries through which such shares are purchased may directly charge the purchaser transaction or other fees, including upfront placement fees or brokerage commissions, in such amounts as they may determine, and that purchasers

should contact their selling agents for additional information. If you are eligible to purchase Class T shares, Class S shares and Class D shares but not Class I shares, in most cases you should purchase Class D shares because Class D shares have no upfront selling commissions or dealer manager fees and lower annual distribution fees.

***What is the role of the board of directors?***

We operate under the direction of our board of directors, the members of which are accountable to us and our stockholders as fiduciaries. We have five members of our board of directors, three of whom are independent of us, our advisor and our respective affiliates. Our charter provides that a majority of our directors must be independent of us, our advisor and our respective affiliates except for a period of 60 days after the death, resignation or removal of an independent director pending the election of his or her successor. Our directors are elected annually by the stockholders.

***Who is your advisor and what does the advisor do?***

Cantor Fitzgerald Income Advisors, LLC is our advisor. Our advisor manages our day-to-day operations and our portfolio of real estate-related investments on our behalf, all subject to the supervision of our board of directors. Our advisor has a highly experienced management team of investment professionals with experience acquiring, originating, managing and/or distributing investments consistent with our strategy. The management team includes executives with significant investment, operational and management experience in real estate related investments. Our advisor and its team of real estate professionals and those of its affiliates are responsible for most of the decisions regarding the selection, negotiation, financing and disposition of investments. Our advisor also has the authority to make all of the decisions regarding our investments, subject to the limitations in our charter and the direction and oversight of our board of directors. Our advisor also provides asset-management, marketing, investor-relations and other administrative services on our behalf.

***What is a non-exchange traded, perpetual-life REIT?***

As of August 10, 2020, we began operating as a non-exchange traded perpetual REIT with no targeted liquidity window instead of operating as a finite-life REIT. A non-exchange traded REIT is a REIT whose shares are not listed for trading on a stock exchange or other securities market. We use the term “perpetual-life REIT” to describe an investment vehicle of indefinite duration, whose shares of common stock are intended to be sold by the REIT monthly on a continuous basis at a price generally equal to the REIT’s prior month’s NAV per share, plus applicable upfront selling commissions and dealer manager fees. In our perpetual-life structure, investors may request that we repurchase their shares on a continuous basis, but we are not obligated to redeem any shares and may choose to repurchase only some, or even none, of the shares that have been requested to be repurchased in any particular month in our discretion. While we may consider a liquidity event at any time in the future, we currently do not have a fixed time frame in which we intend to undertake such consideration and we are not obligated by our charter or otherwise to effect a liquidity event at any time.

***What are the potential conflicts of interest that will be faced by your advisor and its affiliates?***

Our advisor and its affiliates will experience conflicts of interest in connection with the management of our business. Our advisor is an indirect subsidiary of Cantor and is organized to provide asset management and other services to us. Cantor also controls BGC Partners, Inc. (“BGC”), Newmark and a number of other financial services businesses, including our dealer manager. In addition, an affiliate of Cantor is the sponsor of several qualified opportunity zone funds focused on the acquisition and development of commercial real estate and several Delaware Statutory Trusts. Our executive officers and certain of our directors are also officers, directors and managers of our advisors and its affiliates and in some cases, other Cantor Companies. See “Conflicts of Interest.”



***What is the experience of your sponsor?***

Our sponsor is a Delaware limited liability company and an affiliate of Cantor. Founded in 1945, Cantor is a diversified global organization specializing in financial services and real estate for institutional customers operating in the global financial and commercial real estate markets. We believe that our affiliation with Cantor provides us with unique insight and in-depth knowledge of global financial markets and local real estate dynamics. In addition, we believe our advisor's affiliation with Newmark will provide us with access to potential investment opportunities, many of which we believe will not be available to our competitors. Our sponsor also was the sponsor of Rodin Income Trust, Inc. ("RIT"), a non-traded REIT that primarily focused on origination of mortgage loans and mezzanine loans secured mainly by commercial real estate.

***What is the liquidity event history of programs sponsored by our sponsor?***

Our sponsor was also the sponsor of RIT. RIT's registration statement for the initial public offering was declared effective by the SEC on May 2, 2018 and expired pursuant to its terms on May 2, 2021. RIT raised approximately \$19 million in its initial public offering and had two investments consisting of a mezzanine loan and a preferred equity interest. On December 7, 2022, RIT's stockholders approved the assignment of its two investments, which constituted substantially all of RIT's assets (the "Asset Assignment"), to Cantor Realty Fund III, L.P. ("CRF") and a plan that contemplated the complete liquidation and dissolution of RIT following the Asset Assignment (the "Plan of Dissolution"). On December 12, 2022, RIT and CRF consummated the Asset Assignment, which resulted in net cash proceeds to RIT of approximately \$15.3 million. Pursuant to the Plan of Dissolution, RIT distributed to stockholders the net proceeds from the Asset Assignment, along with all other cash on hand after the payment of all liabilities. Stockholders received an aggregate of \$22.52 for each outstanding share of RIT's common stock, which was paid on December 19, 2022. RIT filed articles of dissolution, in accordance with the applicable provision of the Maryland General Corporation Law on December 20, 2022.

An investor who purchased Class I shares on November 9, 2018 (the date on which RIT accepted its first third-party Class I shareholder) and elected to participate in the distribution reinvestment program (the "Sample Investor") would have received distributions totaling \$7.70 per share over the approximate four-year hold period. When added to the Plan of Dissolution payment, such Sample Investor received a total return of 27.1%, which equates to an annualized rate of return of 6.0%.<sup>1</sup> Over the same period, Class A shares (without sales load) would have returned 27.1% and an annualized return of 6.0%, and Class A shares (with sales load) would have returned 20.8% and an annualized return of 4.7%. This compares favorably to the FTSE NAREIT Mortgage REIT Index, an index tracking publicly traded mortgage REITs, which delivered a total return of -15.43% and an annualized return of -3.94% over a similar time period.<sup>2</sup>

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<sup>1</sup> Represents performance of an investor purchasing Class I shares on the same date as the first third-party Class I share investor. Class I Shares accounted for 22% of RIT's issued and outstanding common shares and have no upfront sales load. Performance varies by share class and original investment date. Over the same period, Class T shares (without sales load) would have returned 22.3% and an annualized return of 5.0%, and Class T shares (with sales load) would have returned 19.6% and an annualized return of 4.5%. Returns shown reflect the percent change from the NAV per share from the beginning of the applicable period to liquidation proceeds per share, plus the amount of any distributions per share declared in the period. All returns shown assume reinvestment of distributions pursuant to RIT's distribution reinvestment plan.

<sup>2</sup> Represents the FTSE NAREIT Mortgage REITs Index's total and annualized return from September 30, 2018, through November 30, 2022. The FTSE NAREIT Mortgage REITs Index is a free-float adjusted, market capitalization-weighted index of U.S. Mortgage REITs. Mortgage REITs include all tax-qualified REITs with more than 50 percent of total assets invested in mortgage loans or mortgage-backed securities secured by interests in real property.



***How many investments do you currently own?***

We currently own interests in 20 real properties (including through interests in DST), a plot of land, a preferred equity investment and a mezzanine loan. See “Description of Our Investments” section of this prospectus for more information regarding our investment portfolio. Because we have not yet identified specific assets to acquire with the proceeds of this offering, we are considered to be a blind pool offering. As significant investments become probable, we will supplement this prospectus to provide information regarding the likely investment. We will also supplement this prospectus to provide information regarding material changes to our portfolio, including the closing of significant asset acquisitions or originations.

***Will the distributions I receive be taxable as ordinary income?***

Yes and No. Generally, distributions that you receive, including distributions that are reinvested pursuant to our distribution reinvestment plan, will be taxed as ordinary income to the extent they are from current or accumulated earnings and profits. Participants in our distribution reinvestment plan will also be treated for tax purposes as having received an additional distribution to the extent that they purchase shares under the distribution reinvestment plan at a discount to fair market value, if any. As a result, participants in our distribution reinvestment plan may have tax liability with respect to their share of our taxable income, but they will not receive cash distributions to pay such liability.

To the extent any portion of your distribution is not from current or accumulated earnings and profits, it will not be subject to tax immediately; it will be considered a return of capital for tax purposes and will reduce the tax basis of your investment (and potentially result in taxable gain). Distributions that constitute a return of capital, in effect, defer a portion of your tax until your investment is sold or we are liquidated, at which time you will be taxed at capital gains rates. However, because each investor’s tax considerations are different, we suggest that you consult with your tax advisor.

***What is the expected term of this offering?***

We have registered \$1,000,000,000 in shares of our common stock, in any combination of Class T shares, Class S shares, Class D shares and Class I shares, to be sold in our primary offering and up to \$250,000,000 in shares to be sold pursuant to our distribution reinvestment plan. It is our intent, however, to conduct a continuous offering for an indefinite period of time, by filing for additional offerings of our shares, subject to regulatory approval and continued compliance with the rules and regulations of the SEC and applicable state laws.

We will endeavor to take all reasonable actions to avoid interruptions in the continuous offering of our shares of common stock. There can be no assurance, however, that we will not need to suspend our continuous offering while the SEC and, where required, state securities regulators, review such filings for additional offerings of our stock until such filings are declared effective, if at all.

***Who can buy shares?***

An investment in our shares is only suitable for persons who have adequate financial means and who will not need immediate liquidity from their investment. Residents of most states may buy shares in this offering provided that they have either (i) a net worth of at least \$70,000 and an annual gross income of at least \$70,000 or (ii) a net worth of at least \$250,000. For the purpose of determining suitability, net worth does not include an investor’s home, home furnishings or personal automobiles. Certain states have more stringent suitability requirements. See “Suitability Standards.”

***Who might benefit from an investment in our shares?***

An investment in our shares may be beneficial for you if you meet the minimum suitability standards described in this prospectus, seek to diversify your personal portfolio with a REIT investment focused on income-producing commercial and multifamily properties, as well as other real estate-related assets, seek to preserve

capital, seek to receive regular income, seek to obtain the benefits of the potential growth in the value of our investments 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 shares will not meet those needs.

***How does the payment of fees and expenses by us affect your invested capital?***

We will pay distribution fees to our dealer manager with respect to our outstanding Class T shares, Class S shares and Class D shares, which our dealer manager may reallow or advance to participating broker dealers. In addition, subject to certain limitations, we will incur, or reimburse our advisor for our cumulative organization and offering expenses incurred by our advisor and its affiliates in connection with our public offerings and our organization. The payment of fees and expenses reduces the funds available to us for payment of distributions and investment in our target assets, and therefore may reduce our distributions. However, because we are not required to pay distribution fees with respect to Class I shares, the distributions with respect to Class I shares will not be reduced by these distribution fees.

In the event of any voluntary or involuntary liquidation, dissolution or winding up of us, or any liquidating distribution of our assets, then such assets, or the proceeds therefrom, will be distributed between the holders of Class T shares, Class S shares, Class D shares and Class I shares as well as classes of our IPO shares, ratably in proportion to the respective NAV for each class of shares until the NAV for each class has been paid. We will calculate the NAV as a whole for all shares of our common stock and then will determine any differences attributable to each class. Each holder of shares of a particular class of common stock will be entitled to receive, proportionately with each other holder of shares of such class, that portion of such aggregate assets available for distribution to such class as the number of outstanding shares of such class held by such holder bears to the total number of outstanding shares of such class then outstanding. Before any liquidation, dissolution or winding up, each Class T share, Class S share and Class D share will automatically convert into a number of Class I shares (including any fractional shares) with an equivalent NAV as such share.

***What are the major risks associated with an investment in our shares of common stock?***

We have a limited operating history and our advisor, whom we will depend on to select our investments and conduct our operations, also has a limited operating history. Because this is a blind-pool offering, we have not identified specific investments to acquire with the proceeds of this offering and you will not have the opportunity to evaluate our investments before we make them. The transaction price for shares of our common stock is based on our NAV and is not based on any public trading market. Neither NAV nor the transaction price may be an accurate reflection of the fair market value of our assets and liabilities and likely will not represent the amount of net proceeds that would result if we were liquidated or dissolved or the amount you would receive upon the sale of your shares. We have paid and may continue to pay distributions from sources other than our cash flow from operations, including from offering proceeds. If we continue to pay distributions from sources other than our cash flows from operations, we will have less funds available for investment, borrowings and the overall return to our stockholders may be reduced and subsequent investors will experience dilution. No public market currently exists for our shares, and we have no plans to list our shares on an exchange. Unless and until there is a public market for our shares you will have difficulty selling your shares. The amount and timing of distributions we may pay in the future is uncertain. There is no guarantee of any return and you may lose a part or all of your investment in us. We are not required to pursue or effect a liquidity event within a specified time period or at all.

You should carefully review the “Risk Factors” section of this prospectus which contains a detailed discussion of the material risks that you should consider before you invest in shares of our common stock.

***Is there any minimum investment required?***

The minimum initial investment in Class T, Class S or Class D shares of our common stock is \$2,500, and the minimum subsequent investment in such shares is \$500 per transaction. The minimum initial investment in

Class I shares of our common stock is \$1,000,000, and the minimum subsequent investment in such shares is \$500 per transaction, unless such minimums are waived by the dealer manager. The minimum subsequent investment amount does not apply to purchases made under our distribution reinvestment plan. In addition, our board of directors may elect to accept smaller investments in its discretion.

***When may I make purchases of shares and at what price?***

Subscriptions to purchase our common stock may be made on an ongoing basis, but investors may only purchase our common stock pursuant to accepted subscription orders as of the first calendar day of each month (based on the prior month's transaction price), and to be accepted, a subscription request must be received in good order at least five business days prior to the first calendar day of the month (unless waived by our dealer manager). The purchase price per share of each class will be equal to the then-current transaction price, which will generally be our prior month's NAV per share for such class as of the last calendar day of such month, plus applicable upfront selling commissions and dealer manager fees. We may offer shares at a price that we believe reflects the NAV per share of such stock more appropriately than the prior month's NAV per share, including by updating a previously disclosed transaction price, in cases where we believe there has been a material change (positive or negative) to our NAV per share since the end of the prior month. See "How to Subscribe" for more details.

For example, if you wish to subscribe for shares of our common stock in October, your subscription request must be received in good order at least five business days before November 1. Generally, the offering price will equal the NAV per share of the applicable class as of the last calendar day of September, plus applicable upfront selling commissions and dealer manager fees. If accepted, your subscription will be effective on the first calendar day of November.

***When will the transaction price be available?***

Generally, within 15 calendar days after the last calendar day of each month, we will determine the NAV per share for each share class as of the last calendar day of the prior month, which will generally be the transaction price for the then-current month for such share class. However, in certain circumstances, the transaction price will not be made available until a later time. We will disclose the transaction price for each month when available on our website at [www.cfincometrust.com](http://www.cfincometrust.com) and in prospectus supplements filed with the SEC.

Generally, you will not be provided with direct notice of the transaction price when it becomes available. Therefore, if you wish to know the transaction price prior to your subscription being accepted you must check our website or our filings with the SEC prior to the time your subscription is accepted.

However, if the transaction price is not made available on or before the eighth business day before the first calendar day of the month (which is six business days before the earliest date we may accept subscriptions), or a previously disclosed transaction price for that month is changed, then we will provide notice of such transaction price (and the first day on which we may accept subscriptions) directly to subscribing investors when such transaction price is made available. In such cases, you will have at least three business days from delivery of such notice before your subscription is accepted. See "How to Subscribe."

***May I withdraw my subscription request once I have made it?***

Yes. Subscribers are not committed to purchase shares at the time their subscription orders are submitted and any subscription may be canceled at any time before the time it has been accepted. You may withdraw your purchase request by notifying the transfer agent, through your financial intermediary or directly on our toll-free, automated telephone line, 855-9-CANTOR.

***When will my subscription be accepted?***

Completed subscription requests will not be accepted by us before the later of (i) two business days before the first calendar day of each month and (ii) three business days after we make the transaction price (including any subsequent revised transaction price) publicly available by posting it on our website at [www.cfincometrust.com](http://www.cfincometrust.com) and filing a prospectus supplement with the SEC (or in certain cases after we have delivered notice of such price directly to you as discussed above). As a result, you will have a minimum of three business days after the transaction price for that month has been disclosed to withdraw your request before you are committed to purchase the shares.

***Are there any special restrictions on the ownership or transfer of shares?***

Yes. Our charter contains restrictions on the ownership of our shares that prevent any one person from owning more than 9.8% in value of the aggregate of our outstanding shares of stock or more than 9.8% in value or number of shares, whichever is more restrictive, of the aggregate of our outstanding shares of common stock unless exempted (prospectively or retroactively) by our board of directors. These restrictions are designed to enable us to comply with ownership restrictions imposed on REITs by the Internal Revenue Code.

Our charter also limits your ability to sell your shares. Subsequent purchasers, i.e., potential purchasers of your shares, may also be required to meet the net worth or income standards, and unless you are transferring all of your shares, you may not transfer your shares in a manner that causes you or your transferee to own fewer than the number of shares required to meet the minimum purchase requirements, except for the following transfers without consideration: transfer by gift, transfer by inheritance, intrafamily transfer, dissolutions, transfers to affiliates and transfers by operation of law.

***May I make an investment through my IRA, SEP or other tax-deferred account?***

Yes. You may make an investment through your individual retirement account (IRA), a simplified employee pension (SEP) plan or other tax-deferred account. In making these investment decisions, you should consider, at a minimum, (i) whether the investment is in accordance with the documents and instruments governing your IRA, plan or other account, (ii) whether the investment satisfies the fiduciary requirements associated with your IRA, plan or other account, (iii) whether the investment will generate UBTI to your IRA, plan or other account, (iv) whether there is sufficient liquidity for such investment under your IRA, plan or other account, (v) the need to value the assets of your IRA, plan or other account annually or more frequently, and (vi) whether the investment would constitute a prohibited transaction under applicable law.

***Will I be notified of how my investment is doing?***

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

- three quarterly financial reports and investor statements;
- an annual report;
- in the case of certain U.S. stockholders, an annual Internal Revenue Service (“IRS”) Form 1099-DIV or IRS Form 1099-B, if required, and, in the case of non-U.S. stockholders, an annual IRS Form 1042-S;
- confirmation statements (after transactions affecting your balance, except reinvestment of distributions in us and certain transactions through minimum account investment or withdrawal programs); and
- a quarterly statement providing material information regarding your participation in the distribution reinvestment plan and an annual statement providing tax information with respect to income earned on shares under the distribution reinvestment plan for the calendar year.

We will provide this information to you via one or more of the following methods, in our discretion and with your consent, if necessary:

- U.S. mail or other courier;
- facsimile;
- electronic delivery; or
- posting on our website at [www.cfincometrust.com](http://www.cfincometrust.com).

***When will I get my detailed tax information?***

Your Form 1099-DIV tax information, if required, will be mailed by January 31 of each year.

***Who can help answer my questions about the offering?***

If you have more questions about the offering, or if you would like additional copies of this prospectus, you should contact your registered representative or contact:

Cantor Fitzgerald & Co.  
110 E. 59th Street  
New York, NY 10022  
Telephone: 855-9-CANTOR

[www.cfincometrust.com](http://www.cfincometrust.com)

## PROSPECTUS SUMMARY

*This prospectus summary summarizes information contained elsewhere in this prospectus. Because it is a summary, it may not contain all the information that is important to you. To fully understand this offering, you should carefully read this entire prospectus, including the “Risk Factors.” Except where the context suggests otherwise, the terms “company,” “we,” “us,” “our,” and “the Company” refer to Cantor Fitzgerald Income Trust, Inc., a Maryland corporation, and its subsidiaries; “advisor” refers to Cantor Fitzgerald Income Advisors, LLC, a Delaware limited liability company, our external advisor; “sponsor” refers to Cantor Fitzgerald Investors, LLC, a Delaware limited liability company; “Cantor” refers to Cantor Fitzgerald, L.P., a Delaware limited partnership; “operating partnership” refers to Cantor Fitzgerald Income Trust Operating Partnership, LP, a Delaware limited partnership and “dealer manager” refers to Cantor Fitzgerald & Co., a New York general partnership.*

### **Our Company**

We are a commercial real estate company that intends to invest in a diversified portfolio of income-producing commercial and multifamily properties, as well as other real estate-related assets, located primarily in the United States. Our initial public offering commenced on March 23, 2017 and terminated with respect to primary shares on July 30, 2020. We offered an aggregate of \$1,000,000,000 in Class AX shares, Class TX shares and Class IX shares to the public on a best efforts basis and an additional \$250,000,000 in Class AX shares, Class TX shares and Class IX shares pursuant to our distribution reinvestment plan. As of August 8, 2023, we received gross proceeds of approximately \$461 million from the sale of shares in our public offerings, including \$21 million proceeds from our distribution reinvestment plan. Although Class AX shares, Class TX shares and Class IX shares, which we refer to collectively as the IPO shares, remain outstanding, we are not offering the IPO shares in this follow-on offering. Until July 30, 2020, the Class AX shares, Class TX shares and Class IX shares were designated as Class A shares, Class T shares and Class I shares. The Class AX shares, Class TX shares and Class IX shares generally have the same rights, including voting rights, as the Class T shares, Class S shares, Class D shares and Class I shares that we are offering pursuant to this follow-on offering.

We have no direct employees. We have retained Cantor Fitzgerald Income Advisors, LLC, our advisor, to manage our affairs on a day-to-day basis. Cantor Fitzgerald & Co. serves as the dealer manager of the offering. The advisor and dealer manager are under common control with Cantor, the parent of Cantor Fitzgerald Investors, LLC, our sponsor, as a result of which they are related parties and each of them has received or will receive compensation and fees for services related to the offering, the investment and management of our assets, our operations and potential liquidity event for our company.

In connection with the performance of its duties, we believe that our advisor will benefit from the resources, relationships and expertise of its ultimate parent, Cantor Fitzgerald, L.P. Cantor is a diversified global organization specializing in financial services and real estate for institutional customers operating in the global financial and commercial real estate markets. Over the past 70+ years, Cantor has successfully built a well-capitalized business across multiple and growing business lines with numerous market-leading financial services products and commercial real estate businesses. Cantor’s Real Estate Brokerage and Finance business principally consists of commercial real estate brokerage and finance services, conducted by Newmark. Newmark offers a range of services, including leasing and corporate advisory, property management and investment sales to real estate tenants, owners, investors and developers. Newmark’s subsidiary Berkeley Point engages in government sponsored enterprise lending and loan servicing. Newmark is listed on the NASDAQ Global Select Market under the symbol “NMRK”. Cantor owns a controlling interest in Newmark. As of December 31, 2022, Cantor and its affiliates had over 12,000 employees located domestically and internationally.



## **Our Strengths**

We believe our primary competitive strength is our affiliation with Cantor, which we believe provides us with unique insight and in-depth knowledge of global financial and real estate markets and local real estate dynamics. In addition, we believe our advisor's affiliation with Newmark will provide us with access to potential investment opportunities, many of which we believe will not be available to our competitors. We believe our long-term success in executing our investment strategy will be supported by Cantor's potential competitive strengths, which include:

**Extensive Real Estate Expertise**— Our advisor possesses a unique combination of real estate investment and capital markets expertise. The management team of our advisor has collectively acquired, originated, structured and/or managed billions of dollars of commercial real estate investments consistent with our investment strategy and over numerous real estate cycles. As of December 31, 2022, Cantor and its affiliates' commercial real estate assets under management total approximately \$4.0 billion. In addition, we believe our advisor's affiliation with Newmark provides us with unique insight into local real estate dynamics. Newmark is a full-service commercial real estate services business with approximately 160 offices around the world, an approximately \$71 billion servicing portfolio as of December 31, 2022, and completed \$118 billion of investment sales and debt transaction volume in 2022. Further, Newmark publishes proprietary research on various real estate property types, markets, overall outlooks and industry trends affecting real estate.

**Extensive Capital Markets Expertise**— Cantor believes that its capital markets expertise is a core competency that sets it apart from other real estate investors. Its investment professionals constantly evaluate the relative value of risk/return dynamics within the capital stack of any given real estate transaction. The team also considers capital markets inefficiencies to capture potential arbitrage opportunities. Further, the in-house capital markets team utilizes its network of lending relationships and years of lending experience to obtain best-in-market terms and pricing. In 2022, Cantor and its affiliates closed over \$46 billion of lending transactions.

**Significant Sourcing Capabilities**—Our advisor is led by an experienced management team of investment professionals who possess longstanding relationships with commercial real estate industry participants providing a deep sourcing network for new investment opportunities. Additionally, through our advisor, we can draw on Newmark's extensive network of real estate owners, developers, investors and tenants. We believe this combination will provide us with an ongoing source of investment opportunities, many of which we believe will not be available to our competitors.

**Disciplined Investment Approach**—Cantor relies on consistent processes and a culture of risk management when making investment decisions. Cantor utilizes a centralized operational model designed to take advantage of intellectual capital and real-time information from across the firm. This centralized model encourages high levels of interaction among investment professionals across various real estate, legal, finance and asset management functions from the inception of a transaction to closing. This professional collaboration helps identify potential issues early and enables the team to more effectively streamline resources and workflows.

**Operational Expertise**—Our advisor's dedicated real estate asset management team seeks to maximize asset values through proactive management including operational efficiencies, execution of capital management projects and cost controls among other strategies.

**Experienced Management Team**—Our advisor is managed by an experienced team of investment professionals with institutional real estate and finance experience at major financial institutions. Members of this management team have led teams of global investment professionals in executing transactions consistent with our investment strategy. See "Management—The Advisor" for biographical information regarding these individuals.

**Class T shares, Class S shares, Class D shares and Class I shares**

We are offering to the public four classes of shares of our common stock, Class T shares, Class S shares, Class D shares and Class I shares. The differences among the share classes relate to upfront selling commissions, dealer manager fees and distribution fees. No upfront selling commissions or dealer manager fees will be paid with respect to Class D shares, and no upfront selling commissions, dealer manager fees or distribution fees will be paid with respect to Class I shares.

The table below summarizes the fees we expect to generally be payable to our dealer manager with respect to the Class T shares, Class S shares, Class D shares and Class I shares and does not include the other fees and expenses payable to our advisor and its affiliates. The upfront selling commissions and dealer manager fees are each a percentage of the transaction price of the shares sold in the primary offering. No upfront selling commissions, dealer manager fees or distribution fees are paid with respect to any shares sold under our distribution reinvestment plan. The amount available for distributions on all Class T shares, Class S shares and Class D shares will be reduced by the amount of distribution fees payable with respect to such class of shares issued in the primary offering and all shares within each such class will receive the same per share distributions. Subject to FINRA limitations on underwriting compensation and certain other limitations, the ongoing distribution fees accrue monthly in an amount equal to 1/12th of the percentage set forth below of the aggregate NAV of our outstanding shares for such class of shares for such month on a continuous basis.

	<u>Class T</u>	<u>Class S</u>	<u>Class D</u>	<u>Class I</u>
Upfront Selling Commission . . . . .	3.0%	3.5%	None	None
Upfront Dealer Manager Fee . . . . .	0.5%	None	None	None
Ongoing Distribution Fee . . . . .	0.85%	0.85%	0.25%	None

The ongoing distribution fees listed above are allocated on a class-specific basis and may differ for each class, even when the NAV of each class is the same. The distribution fee for Class T shares consists of an advisor distribution fee (0.65%) and a dealer distribution fee (0.20%). The allocation of ongoing distribution fees on a class-specific basis results in different amounts of distributions being paid with respect to each class of shares. In addition, as a result of the different ongoing fees allocable to each share class, each share class could have a different NAV per share. If the NAV of our classes are different, then changes to our assets and liabilities that are allocable based on NAV may also be different for each class.

We will cease paying distribution fees with respect to any Class T share, Class S share or Class D share at the end of the month in which the transfer agent in conjunction with our dealer manager determines that the total upfront selling commissions, dealer manager fees and distribution fees paid with respect to such Class T shares, Class S shares or Class D shares, as applicable, held by a stockholder within his or her particular account equals 8.75% (or, in the case of shares sold through certain participating broker dealers, a lower limit as set forth in any applicable agreement between our dealer manager and a participating broker dealer) of the gross proceeds from the sale of such Class T shares, Class S shares or Class D shares (including the gross proceeds of any shares issued under our distribution reinvestment plan with respect thereto). At the end of such month, such Class T share, Class S share or Class D share (and any shares issued under our distribution reinvestment plan with respect thereto) will convert into a number of Class I shares (including any fractional shares) with an equivalent aggregate NAV as such share.

In addition, we will cease paying distribution fees with respect to Class T shares, Class S shares and Class D shares on the earlier to occur of the following: (i) a listing of our common stock, (ii) our merger or consolidation with and into another entity, or the sale or other disposition of all or substantially all of our assets or (iii) the date following the completion of the primary portion of this offering on which, in the aggregate, underwriting compensation from all sources in connection with this offering, including upfront selling commissions, dealer

manager fees, distribution fees and other underwriting compensation, is equal to 10% of the gross proceeds from our primary offering. We will further cease paying the distribution fee on any Class T share, Class S share or Class D share that is redeemed or repurchased, as well as upon our dissolution, liquidation or the winding up of our affairs, or a merger or other extraordinary transaction to which we are a party and in which the Class T shares, Class S shares or Class D shares, each as a class, are exchanged for cash or other securities. We cannot predict if or when this will occur for each Class T share, Class S share and Class D share.

Assuming a constant net asset value per share of \$25.00, and assuming applicable upfront selling commissions, dealer manager and distribution fees are paid until the 8.75% of gross proceeds limit described in “Management Compensation—Distribution Fees” is reached, we expect that a one-time investment in 1,000 shares of each class (representing an aggregate net asset value of \$25,000 for each class) would be subject to the following upfront selling commissions, dealer manager fees and distribution fees (dollar amounts rounded to nearest ten cents):

	<u>Upfront Selling Commissions</u>	<u>Dealer Manager Fees</u>	<u>Annual Distribution Fees</u>	<u>Maximum Distribution Fees Over Life of Investment (Length of Time)</u>	<u>Total (Length of Time)</u>
<b>Class T Shares</b> . . . . .	\$750	\$125	\$212.5	\$1,312.5 (6.18 years)	\$2,187.5 (6.18 years)
<b>Class S Shares</b> . . . . .	\$875	\$ 0	\$212.5	\$1,312.5 (6.18 years)	\$2,187.5 (6.18 years)
<b>Class D Shares</b> . . . . .	\$ 0	\$ 0	\$ 62.5	\$2,187.5 (35 years)	\$2,185.5 (35 years)
<b>Class I Shares</b> . . . . .	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Class T shares and Class S shares are available through brokerage and transaction-based accounts. Class D shares are generally available for purchase in this offering only (1) through fee-based programs, also known as wrap accounts, that provide access to Class D shares, (2) through participating broker dealers that have alternative fee arrangements with their clients to provide access to Class D shares, (3) through certain registered investment advisers, (4) through bank trust departments or any other organization or person authorized to act in a fiduciary capacity for its clients or customers or (5) by other categories of investors that we name in an amendment or supplement to this prospectus. Class I shares are generally available for purchase in this offering only (1) through fee-based programs, also known as wrap accounts, that provide access to Class I shares, (2) by endowments, foundations, pension funds and other institutional investors, (3) through participating broker dealers that have alternative fee arrangements with their clients to provide access to Class I shares, (4) by our executive officers and directors and their immediate family members, as well as officers and employees of our advisor, Cantor or other affiliates and their immediate family members, and, if approved by our board of directors, joint venture partners, consultants and other service providers, (5) through certain registered investment advisers, or (6) by other categories of investors that we name in an amendment or supplement to this prospectus. Before making your investment decision, please consult with your investment adviser regarding your account type and the classes of common stock you may be eligible to purchase.

Certain participating broker dealers may offer volume discounts which would reduce upfront selling commissions and would therefore increase the length of time required for selling commissions, dealer manager fees and distribution fees to reach 8.75% of gross proceeds. In the case of shares sold through certain participating broker dealers, a lower limit than 8.75% of gross proceeds may be used, as set forth in any applicable agreement between the dealer manager and the participating broker dealer at the time such shares are first issued.

If you are eligible to purchase all four classes of shares, then in most cases you should purchase Class I shares because Class I shares have no upfront selling commissions, dealer manager fees or distribution fees, which will reduce the NAV or distributions of the other share classes. While no upfront selling commissions, dealer manager fees or distribution fees will be paid with respect to the Class I shares, the financial intermediaries through which such shares are purchased may directly charge the purchaser transaction or other fees, including

upfront placement fees or brokerage commissions, in such amounts as they may determine, and that purchasers should contact their selling agents for additional information. If you are eligible to purchase Class T shares, Class S shares and Class D shares but not Class I shares, in most cases you should purchase Class D shares because Class D shares have no upfront selling commissions or dealer manager fees and lower annual distribution fees.

The aggregate amount of underwriting compensation for the Class T shares, Class S shares, Class D shares and Class I shares, including distribution fees for each of the Class T shares, Class S shares and Class D shares, will not exceed the 10% cap on underwriting compensation imposed by FINRA. See “Description of Shares.”

The fees listed above will be payable on a class-specific basis. Monthly cash distributions paid with respect to Class I shares will be higher than those paid with respect to Class T shares, Class S shares or Class D shares because distributions paid with respect to Class T shares, Class S shares or Class D shares, including those issued pursuant to the distribution reinvestment plan, will be reduced by the payment of the distribution fees. See “Questions and Answers About this Offering” and “Description of Shares” for more information concerning the differences between the Class T shares, Class S shares or Class D shares, and the Class I shares.

### **Investment Objectives and Strategy**

Our investment objectives are to invest in high-quality real estate that will enable us to:

- preserve and protect your capital investment;
- provide current income in the form of regular cash distributions; and
- realize potential growth in the value of our investments.

To execute our investment strategy, we intend to invest primarily in diversified portfolio of income-producing commercial and multifamily properties, as well as other real estate-related assets. Our portfolio principally will be comprised of properties located in the United States but may also include investments outside of the United States on a selective basis with a focus on North America and Europe. Property types may include multifamily, office, industrial and retail assets, as well as other property types, including, without limitation, medical office, student housing, senior living, data centers, hotel, and storage properties. We may also acquire properties leased to a single tenant on a long-term net lease basis. A portion of the properties that we acquire will require some amount of capital investment in order to be renovated or repositioned.

We intend to invest in or originate debt related to commercial real estate. Our real estate-related debt investments may include first mortgage, subordinated mortgage and mezzanine loans, as well as participations in such loans and other debt secured by or relating to the types of commercial real estate described above. An allocation of our overall portfolio to real estate-related debt may allow us to add sources of income and further diversify our portfolio. The type of real estate-related debt investments we will seek to acquire will be obligations backed principally by real estate of the type that generally meets our criteria for direct investment. We may also invest in real estate-related securities to provide current income and a source of liquidity for our share repurchase plan, cash management and other purposes.

We will seek to invest: (a) at least 80% of our assets in properties and real estate-related debt; and (b) up to 20% of our assets in real estate-related securities. Notwithstanding the foregoing, the actual percentage of our portfolio that is invested in each investment type may from time to time be outside the target levels provided above due to factors such as, the advisor’s assessment of the relative attractiveness of opportunities, or an increase in anticipated cash requirements or repurchase requests and subject to any limitations or requirements relating to our intention to be treated as a REIT for U.S. federal income tax purposes and our exclusion from

regulation under the Investment Company Act. We do not designate specific geography or sector allocations for the portfolio; rather we intend to invest in regions or asset classes where we see the best opportunities that support our investment objectives.

### **Summary Risk Factors**

Investing in our common stock involves a high degree of risk. You should carefully review the “Risk Factors” section of this prospectus beginning on page 35, which contains a detailed discussion of the material risks that you should consider before you invest in our common stock. Some of the more significant risks relating to an investment in our shares include:

- We have a limited operating history and limited assets. This is a “blind pool” offering and we have not identified specific investments to acquire with all of the proceeds of this offering.
- This is a “best efforts” offering and if we are unable to raise substantial funds, then we will be more limited in our investments.
- The transaction price may not accurately represent the value of our assets at any given time and the actual value of your investment may be substantially less. The transaction price generally will be based on our most recently disclosed monthly NAV of each class of common stock (subject to material changes as described above) and will not be based on any public trading market. In addition, the transaction price will not represent our enterprise value and may not accurately reflect the actual prices at which our assets could be liquidated on any given day, the value a third party would pay for all or substantially all of our shares, or the price at which our shares would trade on a national stock exchange. Further, our board of directors may amend our NAV procedures from time to time.
- The amount and timing of distributions we may pay in the future is uncertain. There is no guarantee of any return and you may lose a part or all of your investment in us.
- We have paid and may continue to pay distributions from sources other than our cash flow from operations, including, without limitation, the sale of assets, borrowings, return of capital or offering proceeds (including from sales of our common stock or operating partnership units to our affiliates), and we have no limits on the amounts we may pay from such sources. If we continue to pay distributions from sources other than our cash flows from operations, we will have less funds available for investment, borrowings and sales of assets, the overall return to our stockholders may be reduced and subsequent investors will experience dilution. Our distributions, particularly during the period before we have substantially invested the net proceeds from this offering, will likely exceed our earnings, which may represent a return of capital for tax purposes. A return of capital is a return of your investment rather than a return of earnings or gains and will be made after deductions of fees and expenses payable in connection with our offering.
- There is no public trading market for our common stock and repurchase of shares by us will likely be the only way to dispose of your shares. We are not obligated to repurchase any shares under our share repurchase plan and may choose to repurchase only some, or even none, of the shares that have been requested to be repurchased. In addition, repurchases will be subject to available liquidity and other significant restrictions. Further, our board of directors may modify, suspend or terminate our share repurchase plan. As a result, our shares should be considered as having only limited liquidity and at times may be illiquid.
- We will pay substantial fees to and reimburse expenses of our advisor and its affiliates. These fees increase your risk of loss.
- All of our executive officers, some of our directors and other key real estate professionals are also officers, directors, managers and key professionals of our advisor, our dealer manager or other

affiliated Cantor Companies (as defined below). As a result, they face conflicts of interest, including significant conflicts created by our advisor's compensation arrangements with us and other Cantor-advised programs and investors.

- If we raise substantially less than the maximum offering, we may not be able to invest in a diverse portfolio of income-producing commercial real estate and the value of your investment may vary more widely with the performance of specific assets.
- We depend on our advisor to select our investments and conduct our operations. Our advisor has a limited operating history. Therefore, there is no assurance our advisor will be successful.
- Our investments will be subject to the risks typically associated with real estate.
- We may change our investment policies without stockholder notice or consent, which could result in investments that are different from those described in this prospectus.
- If we fail to qualify as a REIT, it would adversely affect our operations and our ability to make distributions to our stockholders.
- The current outbreak of the novel coronavirus, or COVID-19, could adversely impact or cause disruption to our financial condition and results of operations.



**Compensation to Our Advisor and its Affiliates**

Our advisor, the special unit holder, our dealer manager and their affiliates will receive the fees and expense reimbursements described below in connection with performing services for us. We do not intend to pay our advisor or its affiliates any separate fees for property acquisitions, dispositions, financings or development, although our charter permits us to do so, subject to certain limitations. We will, however, reimburse our advisor and its affiliates for out-of-pocket and other expenses related to the foregoing activities to the extent such expenses are paid by our advisor.

Type and Recipient	Description and Method of Computation	Estimated Amount
<b>Organization and Offering Activities<sup>(1)</sup></b>		
<i>Upfront Selling Commissions and Dealer Manager Fees<sup>(2)</sup>—our dealer manager</i>	<p>Our dealer manager is entitled to receive upfront selling commissions of up to 3.0%, and upfront dealer manager fees of 0.5%, of the transaction price of each Class T share sold in the primary offering, however such amounts may vary at certain participating broker-dealers provided that the sum will not exceed 3.5% of the transaction price.</p> <p>Our dealer manager is entitled to receive upfront selling commissions of up to 3.5% of the transaction price of each Class S share sold in the primary offering. Our dealer manager anticipates that all or a portion of the upfront selling commissions and dealer manager fees will be retained by, or reallocated (paid) to, participating broker-dealers.</p>	<p>The actual amount will depend on the number of Class T and Class S shares sold and the transaction price of each Class T and Class S share.</p> <p>Aggregate upfront selling commissions will equal approximately \$17.6 million if we sell the maximum amount in our primary offering, and aggregate dealer manager fees will equal approximately \$2.7 million if we sell the maximum amount in our primary offering, assuming payment of the full upfront selling commissions and dealer manager fees (with a split for Class T shares of 3.0% and 0.5%, respectively), that 55%, 5%, 15% and 25% of our offering proceeds are from the sale of each of Class T, Class S, Class D and Class I shares, respectively, and that the transaction prices of our Class T and Class S shares remain constant at \$25.00.</p>
<i>Distribution Fees<sup>(3)(4)</sup>—our dealer manager</i>	<p>Subject to FINRA limitations on underwriting compensation, we pay our dealer manager distribution fees as additional compensation for selling shares in the offering, all or a portion of which will be reallocated (paid) to participating broker-dealers or broker-dealers servicing investors' accounts, referred to as servicing broker-dealers:</p> <ul style="list-style-type: none"> <li>• with respect to our outstanding Class T shares, in an amount equal to 0.85% per annum of</li> </ul>	<p>Actual amounts depend upon the per share NAVs of our Class T, Class S and Class D shares, the number of Class T, Class S and Class D shares purchased and when such shares are purchased. For Class T shares, the distribution fees will equal approximately \$4.7 million per annum if we sell the maximum amount. For Class S shares, the distribution fees will equal approximately \$0.4 million per annum if we sell the maximum</p>

Type and Recipient	Description and Method of Computation	Estimated Amount
	<p>the aggregate NAV of our outstanding Class T shares, consisting of an advisor distribution fee of 0.65% per annum, and a dealer distribution fee of 0.20% per annum, of the aggregate NAV of our outstanding Class T shares, however, with respect to Class T shares sold through certain participating broker-dealers, the advisor distribution fee and the dealer distribution fee may be other amounts, provided that the sum of such fees will always equal 0.85% per annum of the NAV of such shares;</p>	<p>amount. For Class D shares, the distribution fees will equal approximately \$0.4 million per annum if we sell the maximum amount. In each case, we are assuming that, in our primary offering, 55%, 5%, 15% and 25% of our offering proceeds are from the sale of each of Class T, Class S, Class D and Class I shares and the transaction prices of our Class T, Class S and Class D shares remain constant at \$25.00 and none of our stockholders participate in our distribution reinvestment plan.</p>
	<ul style="list-style-type: none"> <li>• with respect to our outstanding Class S shares, in an amount equal to up to 0.85% per annum of the aggregate NAV of our outstanding Class S shares; and</li> <li>• with respect to our outstanding Class D shares, in an amount equal to up to 0.25% per annum of the aggregate NAV of our outstanding Class D shares.</li> </ul>	
	<p>We do not pay a distribution fee with respect to our outstanding Class I shares.</p>	
	<p>The distribution fees are paid monthly in arrears. Our dealer manager reallows (pays) all or a portion of the distribution fees to participating broker-dealers and servicing broker-dealers for ongoing stockholder services performed by such broker-dealers. Because the distribution fees are calculated based on our NAV for our Class T, Class S and Class D shares, they will reduce the NAV or, alternatively, the distributions payable, with respect to the shares of each such class,</p>	

Type and Recipient	Description and Method of Computation including shares issued under our distribution reinvestment plan.	Estimated Amount
	<p>We will cease paying the distribution fee with respect to any Class T share, Class S share or Class D share held in a stockholder's account at the end of the month in which our dealer manager in conjunction with the transfer agent determines that total upfront selling commissions, dealer manager fees and distribution fees paid with respect to the shares held by such stockholder within such account would exceed, in the aggregate, 8.75% (or, in the case of Class T shares sold through certain participating broker-dealers, a lower limit as set forth in the applicable agreement between the dealer manager and a participating broker-dealer at the time such Class T shares were issued) of the gross proceeds from the sale of such shares (including the gross proceeds of any shares issued under our distribution reinvestment plan with respect thereto). At the end of such month, each such Class T share, Class S share or Class D share will convert into a number of Class I shares (including any fractional shares), with an equivalent aggregate NAV as such share. Although we cannot predict the length of time over which the distribution fee will be paid due to potential changes in the NAV of our shares, this fee would be paid with respect to a Class T share (in the case of a limit of 8.75% of gross proceeds) or Class S share over approximately 6.18 years from the date of purchase and with respect to a Class D share over approximately 35 years from the date of purchase, assuming payment of the full upfront selling commissions and dealer manager fees, opting out of the distribution</p>	

Type and Recipient	Description and Method of Computation	Estimated Amount
<i>Organization and Offering Expense Reimbursement<sup>(2)(4)</sup>—our advisor</i>	<p>reinvestment plan and a constant NAV of \$25.00 per share. Under these assumptions, if a stockholder holds his or her shares for these time periods, this fee with respect to a Class T share or Class S share would total approximately \$1.31 and with respect to a Class D share would total approximately \$2.19.</p> <p>In addition, we will cease paying the distribution fee on the Class T shares, Class S shares and Class D shares on the earlier to occur of the following: (i) a listing of Class I shares, (ii) our merger or consolidation with and into another entity, or the sale or other disposition of all or substantially all of our assets or (iii) the date following the completion of the primary portion of this offering on which, in the aggregate, underwriting compensation from all sources in connection with this offering, including upfront selling commissions, the distribution fee and other underwriting compensation, is equal to 10% of the gross proceeds from our primary offering.</p> <p>We will reimburse our advisor and its affiliates for organization and offering costs it incurs on our behalf but only to the extent that the reimbursement does not cause the selling commissions, the dealer manager fees and the other organization and offering expenses borne by us to exceed 15.0% of gross offering proceeds of this offering as of the date of the reimbursement. If we raise the maximum offering amount in the primary offering and under the distribution reinvestment plan, we estimate organization and offering expenses (other than selling commissions and the dealer manager fee), in the aggregate, to be</p>	<p>We estimate the reimbursement for our organization and offering expenses (excluding upfront selling commissions, dealer manager fees and distribution fees) to be approximately \$10 million if we sell the maximum offering amount.</p>

Type and Recipient	Description and Method of Computation	Estimated Amount
	<p>\$10 million. These organization and offering costs include all costs (other than selling commissions, the dealer manager fees and distribution fees) to be paid by us in connection with the offering, including our legal, accounting, printing, mailing and filing fees, charges of our transfer agent, charges of our advisor for administrative services related to the issuance of shares in this offering, reimbursement of bona fide due diligence expenses of broker-dealers, and reimbursement of our advisor for costs in connection with preparing supplemental sales materials.</p> <p>In connection with our initial public offering, our advisor has agreed to pay all of our organization and offering expenses on our behalf (other than selling commissions and dealer manager) through May 18, 2018.</p> <p>We began reimbursing our advisor for such costs ratably over the 36 months following May 18, 2018; provided that we will not be obligated to pay any amounts that as a result of such payment would cause the aggregate payments for organization and offering costs paid by the advisor to exceed 1% of gross offering proceeds from our public offerings as of such payment date. After May 18, 2018, our advisor, in its sole discretion, may pay some or all of the additional organization and offering costs incurred, but is not required to do so. To the extent our advisor pays such additional organization and offering costs, we will be obligated to reimburse the advisor subject to the 1% cap described above.</p>	

Type and Recipient	Description and Method of Computation	Estimated Amount
<b><i>Investment Activities</i></b>		
<i>Acquisition Expenses<sup>(6)</sup>—our advisor</i>	We do not intend to pay our advisor any acquisition, financing (except as outlined below) or other similar fees in connection with making investments. We will, however, reimburse our advisor for out-of-pocket expenses in connection with the selection, evaluation, structuring, acquisition, origination, financing and development of properties and real estate-related securities, whether or not such investments are acquired, and make payments to third parties or certain of our advisor’s affiliates in connection with making investments as described in “—Fees for Other Services” below.	Not determinable at this time
<b><i>Operational Activities</i></b>		
<i>Asset Management Fee and Expense Reimbursement—our advisor</i>	We pay our advisor an asset management fee equal to 1.20% of NAV per annum payable monthly. The asset management fee may be paid, at the advisor’s election, in cash, Class I shares or Class I operating partnership units. If our advisor elects to receive any portion of its asset management fee in Class I shares or Class I operating partnership units, we may repurchase such Class I shares or Class I operating partnership units from the advisor at a later date. Repurchases of any of our Class I shares or Class I operating partnership units that were received by our advisor in lieu of a cash asset management fee are not subject to the monthly and quarterly volume limitations or the 5% holding discount under our share repurchase program, and such sales receive priority over other shares being put for repurchase during such period. Notwithstanding the foregoing, we have adopted a policy in which a majority of independent directors	Actual amounts of the asset management fee depend upon our aggregate NAV. The asset management fee attributed to the shares sold in this offering will equal approximately \$11.8 million per annum if we sell the maximum amount in our primary offering, assuming that the NAV per share of our Class S, Class T, Class D and Class I shares remains constant at \$25.00 and before giving effect to any shares issued under our distribution reinvestment plan.



Type and Recipient	Description and Method of Computation	Estimated Amount
	<p>must approve repurchase requests submitted by our advisor that when combined with any stockholder repurchase requests would cause us to exceed the 2% monthly or 5% quarterly limitations on repurchases. As part of such approval, a majority of independent directors must determine that the repurchase will not impair our capital or operations and be consistent with the fiduciary duties of our directors. The operating partnership will repurchase any such operating partnership units for cash unless our board of directors determines that any such repurchase for cash would be prohibited by applicable law or our charter, in which case such operating partnership units will be repurchased for shares of our common stock with an equivalent aggregate NAV. Our advisor and the special unit holder will have the option of exchanging Class I shares for a number of Class T shares, Class S shares or Class D shares with an equivalent aggregate NAV and will have registration rights with respect to shares of our common stock.</p>	
	<p>In addition to the organization and offering expense and acquisition expense reimbursements described above, we will reimburse our advisor, subject to certain limitations contained in our charter and the advisory agreement, for out-of-pocket costs and expenses it incurs in connection with the services it provides to us, including, but not limited to, (1) the actual cost of goods and services used by us and obtained from third parties, including fees paid to administrators, consultants, attorneys, technology providers and other service providers, and brokerage fees paid in connection with the purchase and</p>	

Type and Recipient	Description and Method of Computation	Estimated Amount
	<p>sale of investments and securities, and (2) expenses of managing and operating our properties, whether payable to an affiliate or a non-affiliated person.</p> <p>We generally will not reimburse our advisor for any amount by which our total operating expenses at the end of the four preceding fiscal quarters exceeds the greater of (i) 2% of average invested assets (as defined in our advisory agreement) and (ii) 25% of net income other than any additions to reserves for depreciation, bad debts or other similar non-cash reserves and excluding any gain from the sale of investments for that period. After the end of any fiscal quarter for which our total operating expenses exceed this 2%/25% limitation for the four fiscal quarters then ended, if our independent directors exercise their right to conclude that this excess was justified, this fact will be disclosed in writing to the holders of our shares of common stock within 60 days. If our independent directors do not determine such excess expenses are justified, our advisor is required to reimburse us, at the end of the four preceding fiscal quarters, by the amount that our aggregate annual total operating expenses paid or incurred exceed this 2%/25% limitation.</p> <p>In addition, subject to other limitations on the incurrence and reimbursement of operating expenses contained in our advisory agreement, operating expenses which have been incurred and paid by our advisor will not become our obligation unless our advisor has invoiced us for reimbursement, which will occur in a quarterly statement and accrued for in the respective period. Our advisor</p>	

Type and Recipient	Description and Method of Computation	Estimated Amount
	<p>will not invoice us for any reimbursement if the impact of such would result in us incurring an obligation in an amount that would result in our NAV per share for any class of shares to be less than \$25.00. We may, however, incur and record an obligation to reimburse our advisor, even if it would result in our NAV per share for any class of shares for such quarter to be less than \$25.00, if our board of directors determines that the reasons for the decrease of our NAV per share below \$25.00 were unrelated to our obligation to reimburse our advisor for operating expenses.</p>	
	<p>In addition, all or a portion of the operating expenses, which have not been previously paid by us or invoiced by our advisor may be in the sole discretion of our advisor (i) waived by our advisor, (ii) reimbursed to our advisor in any subsequent quarter or (iii) reimbursed to our advisor in connection with a liquidity event or termination of the advisory agreement, provided that we have fully invested the proceeds from our offerings and our stockholders have received, or are deemed to have received, in the aggregate, cumulative distributions equal to their invested capital plus a 6.0% cumulative, non-compounded annual pre-tax return on their invested capital. Any reimbursement of operating expenses remains subject to the limitations described above, including the 2%/25% limitations and the related approval requirements. See “Management—The Advisory Agreement—Management Fee, Performance Participation and Expense Reimbursements.”</p>	

Type and Recipient	Description and Method of Computation	Estimated Amount
<p><i>Performance Participation Allocation—special unit holder</i></p>	<p>As long as our advisory agreement has not been terminated (including by means of non-renewal), the special unit holder will be entitled to a performance participation interest in our operating partnership that entitles it to receive an allocation from our operating partnership equal to 12.5% of the Total Return, subject to a 5% Hurdle Amount and a High Water Mark, with a Catch-Up (each term as defined below). Such allocation will be made annually and accrue monthly.</p> <p>Specifically, the special unit holder will be allocated a performance participation in an amount equal to:</p> <ul style="list-style-type: none"> <li>• <i>First</i>, if the Total Return for the applicable period exceeds the sum of (i) the Hurdle Amount for that period and (ii) the Loss Carryforward Amount (any such excess, “Excess Profits”), 100% of such annual Excess Profits until the total amount allocated to the special unit holder equals 12.5% of the sum of (x) the Hurdle Amount for that period and (y) any amount allocated to the special unit holder pursuant to this clause (this is commonly referred to as a “Catch-Up”); and</li> <li>• <i>Second</i>, to the extent there are remaining Excess Profits, 12.5% of such remaining Excess Profits.</li> </ul> <p>“Total Return” for any period since the end of the prior calendar year shall equal the sum of:</p> <ul style="list-style-type: none"> <li>(i) all distributions accrued or paid (without duplication) on the operating partnership units outstanding at the end of such period since the</li> </ul>	<p>Actual amounts of the performance participation allocation depend upon our operating partnership’s actual annual Total Return and, therefore, cannot be calculated at this time.</p>

Type and Recipient	Description and Method of Computation	Estimated Amount
	<p>beginning of the then-current calendar year, <i>plus</i></p> <p>(ii) the change in aggregate NAV of such units since the beginning of the year, before giving effect to (x) changes resulting solely from the proceeds of issuances of operating partnership units, (y) any allocation/accrual to the performance participation interest and (z) applicable distribution fee expenses (including any payments made to us for payment of such expenses).</p> <p>For the avoidance of doubt, the calculation of Total Return will (i) include any appreciation or depreciation in the NAV of units issued during the then-current calendar year but (ii) exclude the proceeds from the initial issuance of such units. In addition, with respect to a year in which we complete a liquidity event, for purposes of determining the Total Return, any change in the aggregate NAV of the operating partnership units will be deemed to equal the difference between the aggregate NAV of the operating partnership units outstanding at the beginning of the year and the aggregate value of such units determined in connection with such liquidity event. With respect to the first year in which the Second Amended and Restated Advisory Agreement was in effect, for purposes of determining Total Return, any change in the aggregate NAV was deemed to equal the difference between the aggregate NAV of the operating partnership units as of July 31, 2020 and the aggregate NAV of such units at the end of such calendar year.</p>	

Type and Recipient	Description and Method of Computation	Estimated Amount
	<p>“Hurdle Amount” for any period during a calendar year means that amount that results in a 5% annualized internal rate of return on the NAV of the operating partnership units outstanding at the beginning of the then-current calendar year and all operating partnership units issued since the beginning of the then-current calendar year, taking into account the timing and amount of all distributions accrued or paid (without duplication) on all such units and all issuances of operating partnership units over the period. The ending NAV of the operating partnership units used in calculating the internal rate of return will be calculated before giving effect to any allocation/accrual to the performance participation interest and applicable distribution fee expenses. For the avoidance of doubt, the calculation of the Hurdle Amount for any period will exclude any operating partnership units repurchased during such period, which units will be subject to the performance participation allocation upon repurchase as described below. With respect to the first year in which the Second Amended and Restated Advisory Agreement was in effect, the beginning NAV of the operating partnership units used in calculating the internal rate of return was deemed to equal the aggregate NAV of the operating partnership units as of July 31, 2020. Except as described in Loss Carryforward below, any amount by which Total Return falls below the Hurdle Amount will not be carried forward to subsequent periods.</p> <p>The special unit holder will also be allocated a performance participation with respect to all operating partnership units that are repurchased</p>	



Type and Recipient	Description and Method of Computation	Estimated Amount
	<p>at the end of any month (in connection with repurchases of our shares in our share repurchase program) in an amount calculated as described above with the relevant period being the portion of the year for which such unit was outstanding, and proceeds for any such unit repurchase will be reduced by the amount of any such performance participation.</p> <p>Distributions on the performance participation interest may be payable in cash or Class I operating partnership units at the election of the special unit holder. If the special unit holder elects to receive such distributions in operating partnership units, then the special unit holder may request the operating partnership to repurchase such operating partnership units from the special unit holder at a later date. Any such repurchase requests will not be subject to the 5% holding discount under our share repurchase program but will be subject to the monthly and quarterly volume limitations that exist under our share repurchase program.</p> <p>The operating partnership will repurchase any such operating partnership units for cash unless our board of directors determines that any such repurchase for cash would be prohibited by applicable law or our charter, in which case such operating partnership units will be repurchased for shares of our common stock with an equivalent aggregate NAV.</p> <p>See “The Operating Partnership Agreement—Special Units.”</p>	

Type and Recipient	Description and Method of Computation	Estimated Amount
<i>Fees for Other Services—Affiliates of our advisor</i>	We may retain certain of our advisor’s affiliates, from time to time, for services relating to our investments or our operations, which may include accounting and audit services, account management services, corporate secretarial services, data management services, directorship services, information technology services, finance/budget services, human resources, judicial processes, legal services, operational services, risk management services, tax services, treasury services, loan management services, construction management services, property management services, leasing services, loan origination services, debt servicing, brokerage services, transaction support services (which may consist of assembling relevant information with respect to investment acquisitions and dispositions, conducting financial and market analyses, coordinating closing and post-closing procedures, coordinating of design and development works, coordinating with brokers, lawyers, accountants and other advisors, assisting with due diligence, site visits and other services), transaction consulting services and other similar operational matters. Any fees paid to our advisor’s affiliates for any such services will not reduce the asset management fee. Any such arrangements will be at market rates.	Actual amounts depend on whether affiliates of our advisor are actually engaged to perform such services.
<i>Reimbursement of Certain Initial Public Offering Expenses—our sponsor</i>	Our sponsor has paid a portion of selling commissions and all of the dealer manager fees, up to a total of 4% of gross offering proceeds from the sale of Class A shares, Class T shares and Class I shares in our initial public offering. We will reimburse such expenses (i) immediately prior to or upon the occurrence of a liquidity event,	\$5.4 million

Type and Recipient	Description and Method of Computation	Estimated Amount
	<p>including (A) the listing of our common stock on a national securities exchange or (B) a merger, consolidation or sale of substantially all of our assets or any similar transaction or any transaction pursuant to which a majority of our board of directors then in office are replaced or removed, or (ii) upon the termination of the advisory agreement by us or by the advisor. In each such case, we only will reimburse the sponsor after (i) we have fully invested the proceeds from initial public offering and (ii) our initial public offering stockholders have received, or are deemed to have received, in the aggregate, cumulative distributions equal to their invested capital plus a 6% cumulative, non-compounded annual pre-tax return on such invested capital.</p>	
	<p>(1) Upfront selling commissions and dealer manager fees for sales of Class T and Class S shares may be reduced or waived in connection with volume or other discounts, other fee arrangements or for sales to certain categories of purchasers. See “Plan of Distribution—Underwriting Compensation—Upfront Selling Commissions and Dealer Manager Fees.”</p> <p>(2) We also will cease paying distribution fees at the date following the completion of the primary portion of this offering at which total underwriting compensation from any source in connection with this offering equals 10% of the gross proceeds from our primary offering (i.e., excluding proceeds from sales pursuant to our distribution reinvestment plan). This limitation is intended to ensure that we satisfy the FINRA requirement that total underwriting compensation paid in connection with this offering does not exceed 10% of the gross proceeds of our primary offering.</p> <p>(3) In calculating our distribution fee, we will use our NAV before giving effect to accruals for the distribution fee or distributions payable on our shares.</p> <p>(4) These amounts represent estimated expenses incurred in connection with our organization and this offering. Under no circumstances may our total organization and offering expenses (including upfront selling commissions, dealer manager fees, distribution fees and due diligence expenses) exceed 15% of the gross proceeds from this offering. Any organization and offering expenses that are deemed underwriting expenses will be subject to the FINRA requirement that total underwriting compensation paid in connection with the offering does not exceed 10% of the gross proceeds of our primary offering.</p> <p>(5) We will pay all expenses incurred in connection with the acquisition of our investments, including legal and accounting fees and expenses, brokerage commissions payable to unaffiliated third parties, travel expenses, costs of appraisals (including independent appraisals), nonrefundable option payments on property not acquired, engineering, due diligence, transaction support services, title insurance and other expenses related to the selection and acquisition of investments, whether or not acquired. While most of the acquisition expenses are expected to be paid to third parties, a portion of the out-of-pocket acquisition expenses may be</p>	

paid or reimbursed to our advisor or its affiliates. Acquisition expenses will in no event exceed 6% of the gross purchase price of the property.

- (6) In calculating our asset management fee, we will use our NAV before giving effect to accruals for the asset management fee, performance participation allocation, distribution fees or distributions payable on our shares.

Our Total Operating Expenses, including any performance participation allocation made to the special unit holder with respect to its performance participation interest in the operating partnership, will be limited during any four fiscal quarters to the greater of (a) 2.0% of our Average Invested Assets and (b) 25.0% of our Net Income. This limit may be exceeded only if our independent directors have made a finding that, based on such unusual and non-recurring factors as they deem sufficient, a higher level of expenses is justified, and such finding is recorded in the minutes of a meeting of the independent directors. For purposes of these limits:

- “Total Operating Expenses” are all costs and expenses paid or incurred by us, as determined under generally accepted accounting principles, including the asset management fee and the performance participation allocation, but excluding: (i) the expenses of raising capital such as organization and offering expenses, legal, audit, accounting, underwriting, brokerage, listing, registration and other fees, printing and other such expenses and taxes incurred in connection with the issuance, distribution, transfer, registration and listing of our capital stock, (ii) property-level expenses incurred at each property, (iii) interest payments, (iv) taxes, (v) non-cash expenditures such as depreciation, amortization and bad debt reserves, (vi) incentive fees paid in compliance with our charter, (vii) acquisition fees and acquisition expenses related to the selection and acquisition of assets, whether or not a property is actually acquired, (viii) real estate commissions on the sale of property and (ix) other fees and expenses connected with the acquisition, disposition, management and ownership of real estate interests, mortgage loans or other property (including the costs of foreclosure, insurance premiums, legal services, maintenance, repair and improvement of property).
- “Average Invested Assets” means, for any period, the average of the aggregate book value of our assets, invested, directly or indirectly, in equity interests in and loans secured by real estate, including all properties, mortgages and real estate-related securities and consolidated and unconsolidated joint ventures or other partnerships, before deducting depreciation, amortization, impairments, bad debt reserves or other non-cash reserves, computed by taking the average of such values at the end of each month during such period.
- “Net Income” means, for any period, total revenues applicable to such period, less the total expenses applicable to such period other than additions to, or allowances for, non-cash charges such as depreciation, amortization, impairments and reserves for bad debt or other similar non-cash reserves.

See “Management—The Advisory Agreement—Asset Management Fee, Performance Participation and Expense Reimbursements.

### Performance Participation Allocation Example

The following example illustrates how we would calculate our special unit holder's performance participation allocation at the end of the year based on the assumptions set forth in rows A through E of the table below. All amounts are with respect to the units outstanding at the end of the year. Actual results may differ materially from the following example.

A. Beginning NAV	\$1,000,000,000
B. Loss Carryforward Amount	—
C. Net proceeds from new issuances	—
D. Distributions paid (in twelve equal monthly installments)	\$ 40,000,000
E. Change in NAV required to meet 5% annualized internal rate of return <sup>(1)</sup>	\$ 9,091,408
F. Hurdle Amount <sup>(1)</sup> (D plus E)	\$ 49,091,408
G. Actual change in NAV	\$ 20,000,000
H. Annual Total Return prior to performance participation allocation (D plus G)	\$ 60,000,000
I. Excess Proceeds (H minus the sum of B and F)	\$ 10,908,592
J. Performance participation allocation is equal to 12.5% of annual Total Return (H) because the annual Total Return exceeds the Hurdle Rate (F) plus loss carryforward account balance (B) with enough Excess Proceeds (I) to achieve the full Catch-Up	\$ 7,500,000

- (1) The Hurdle Amount for any period is that amount that results in a 5% annualized internal rate of return on the NAV of the units outstanding at the end of the period. An internal rate of return reflects the timing and amount of all distributions accrued or paid (without duplication) and any issuances of such units during the period. Internal rate of return is a metric used in business and asset management to measure the profitability of an investment, and is calculated according to a standard formula that determines the total return provided by gains on an investment over time.

### Conflicts of Interest

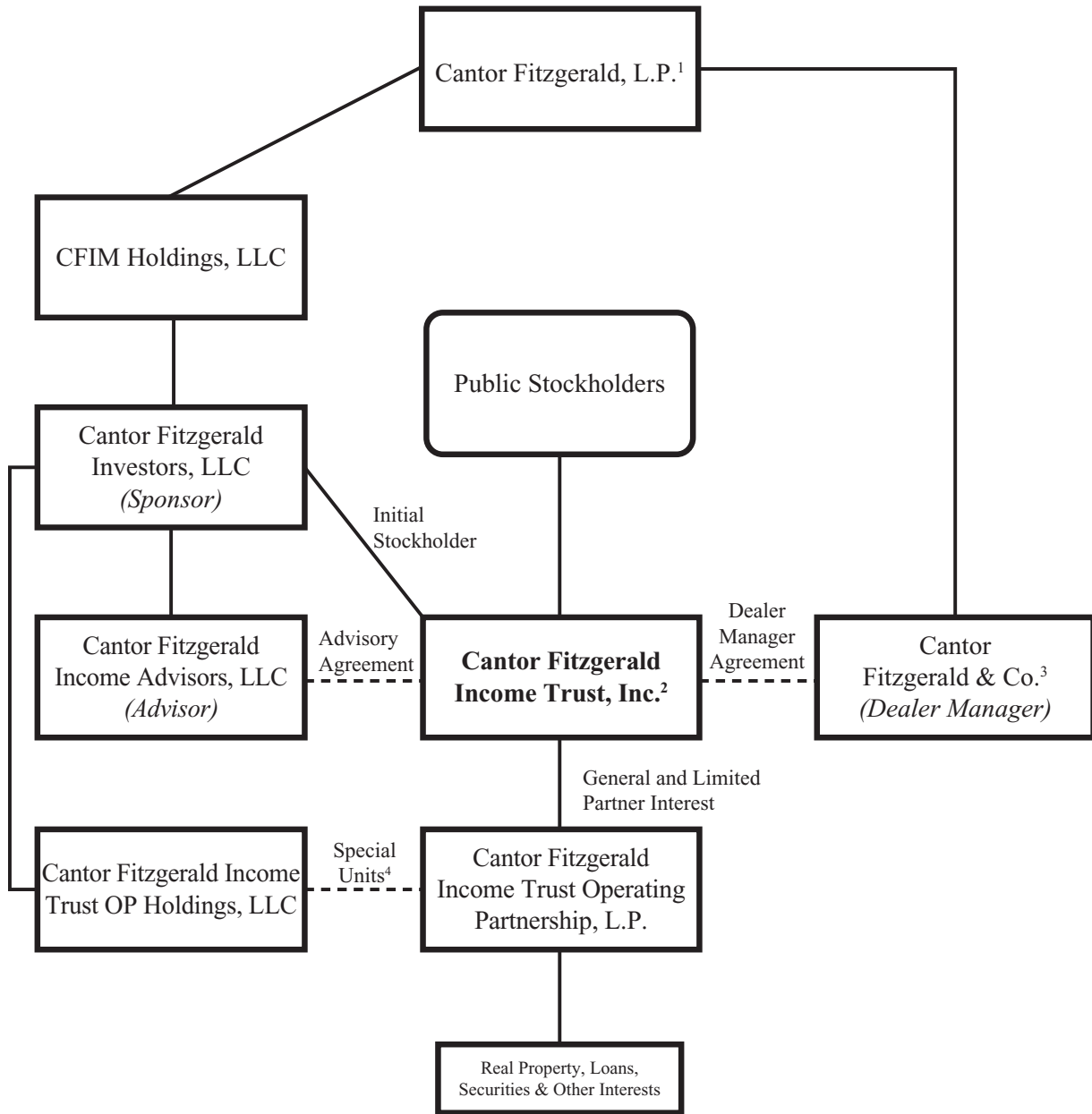
Our advisor and its affiliates experience conflicts of interest in connection with the management of our business. Our advisor is an indirect subsidiary of Cantor and is organized to provide asset management and other services to us. Cantor also controls BGC, Newmark and a number of other financial services businesses, including our dealer manager, and sponsors RIT, a non-traded REIT that focuses primarily on origination of mortgage loans or mezzanine loans secured mainly by commercial real estate, along with several Delaware statutory trusts and qualified opportunity zone funds (collectively the "Cantor Companies"). Our executive officers and certain of our directors are also officers, directors and managers of our advisor and its affiliates and in some cases, other Cantor Companies. Some of the material conflicts that our advisor and its affiliates face include the following:

- The team of professionals at our advisor and its affiliates must determine which investment opportunities to recommend to us and any programs Cantor affiliates may sponsor in the future;
- The team of professionals at our advisor and its affiliates have to allocate their time between us and other Cantor Companies, programs and activities in which they are involved;
- Our advisor and its affiliates receive fees in connection with transactions involving the management of our assets regardless of the quality of the assets acquired or the services provided to us;
- Our advisor and its affiliates, including our dealer manager, receive fees in connection with our offerings of equity securities;
- The negotiations of the advisory agreement and the dealer manager agreement (including the substantial fees our advisor and its affiliates will receive thereunder) were not at arm's length;
- Our sponsor will receive reimbursement for the sponsor support in our initial public offering in certain circumstances, including potentially in connection with a sale of us or our assets; and

- Our advisor and its affiliates may structure the terms of joint ventures between us and other Cantor Companies.

**Our Structure**

The following chart indicates the relationship among us, our advisor and certain of its affiliates.



- (1) CF Group Management, Inc. is the managing general partner of Cantor Fitzgerald, L.P. Mr. Howard W. Lutnick controls Cantor Fitzgerald, L.P. through his ownership of CF Group Management, Inc. Cantor Fitzgerald, L.P. indirectly owns Cantor Fitzgerald & Co.
- (2) We own a capital interest in the operating partnership consisting of general and limited partnership interests. We are the sole general partner of the operating partnership and, therefore, our board of directors has



ultimate oversight and policy-making authority with respect to our operating partnership. Our board of directors has retained our advisor which is responsible for coordinating the management of our day-to-day operations and the management of our operating partnership subject to the terms of the advisory agreement.

- (3) Our dealer manager is indirectly owned by Cantor Fitzgerald, L.P.
- (4) The special units will entitle Cantor Fitzgerald Income Trust OP Holdings, LLC to receive certain operating partnership distributions. See “Management Compensation.”

### Distributions

We have declared distributions from July 11, 2017 through August 31, 2020 in an amount equal to \$0.004253787 per day per share of common stock and for the period from September 1, 2020 through December 31, 2023 in an amount equal to \$1.55 per share annualized, less, for holders of certain classes of shares, the distribution fees that are payable with respect to such classes of shares. From July 2017 until August 31, 2020, with the authorization of our board of directors, we have declared distributions as of daily record dates and paid the distributions monthly; however, since September 2020, we have and intend to continue to accrue and pay regular distributions as of monthly record dates. We expect to continue paying monthly distributions unless our results of operations, our general financial condition, general economic conditions or other factors inhibit us from doing so. The timing and amount of cash distributions will be determined by our board of directors, in its discretion, and may vary from time to time. In addition to cash distributions, our board of directors may authorize special stock dividends. Distributions will be made on all classes of our common stock at the same time. The per share amount of distributions on Class T, Class S, Class D and Class I shares generally differ because of different class-specific distribution fees that are deducted from the gross distributions for each share class. Specifically, distributions on Class T and Class S shares will be lower than Class D shares, and Class D shares will be lower than Class I shares because we are required to pay higher ongoing distribution fees with respect to the Class T and Class S shares (compared to Class D shares and Class I shares) and we are required to pay higher ongoing distribution fees with respect to Class D shares (compared to Class I shares).

The following table summarizes our distributions declared during the nine months ended September 30, 2023 and for the year ended December 31, 2022.

	<u>Nine Months Ended September 30, 2023</u>		<u>Year Ended December 31, 2022</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
<b>Distributions</b>				
Paid in cash . . . . .	\$2,835,086	47%	\$12,637,020	63%
Payable . . . . .	1,949,984	33%	1,965,999	10%
Reinvested in shares . . . . .	1,166,253	20%	5,416,564	27%
<b>Total distributions</b> . . . . .	<b><u>\$5,951,323</u></b>	<b><u>100%</u></b>	<b><u>\$20,019,582</u></b>	<b><u>100%</u></b>
<b>Sources of Distributions:</b>				
Operating cash flows . . . . .	\$5,951,323	100%	\$16,130,736	81%
Offering proceeds pursuant to Distribution Support Agreement <sup>(1)</sup> . . . . .	—	0%	1,867,720	9%
Offering proceeds . . . . .	—	0%	2,021,126	10%
<b>Total sources of distributions</b> . . . . .	<b><u>\$5,951,323</u></b>	<b><u>100%</u></b>	<b><u>\$20,019,582</u></b>	<b><u>100%</u></b>

- (1) Pursuant to the distribution support agreement, our sponsor had purchased Class I shares to the extent cash distributions exceeded MFFO within 15 business days following our filing with the SEC of its periodic report for such calendar quarter or year.

During the nine months ended September 30, 2023, we declared \$17,618,022 of distributions to our shareholders (including those reinvested in shares pursuant to our distribution reinvestment plan), compared to our total

aggregate MFFO loss of \$3,504,562 for the nine months ended September 30, 2023, and our total aggregate net loss of \$9,922,633 for such period. During the year ended December 31, 2022, we declared \$20,019,582 of distributions to our shareholders (including those reinvested in shares pursuant to our distribution reinvestment plan), compared to our total aggregate MFFO of \$6,113,977 and our total aggregate net loss of \$5,012,221 for that period.

To maintain our qualification as a REIT, we must make aggregate annual distributions to our stockholders of at least 90% of our REIT taxable income (which is computed without regard to the dividends paid deduction or net capital gain and which does not necessarily equal net income as calculated in accordance with GAAP). If we meet the REIT qualification requirements, we generally will not be subject to federal income tax on the income that we distribute to our stockholders each year. See “Federal Income Tax Considerations—Taxation of Cantor Fitzgerald Income Trust, Inc. —Annual Distribution Requirements.” In general, we anticipate making distributions to our stockholders of at least 100% of our REIT taxable income so that none of our income is subject to federal income tax. Our board of directors may authorize distributions in excess of those required for us to maintain REIT status depending on our financial condition and such other factors as our board of directors deems relevant.

Generally, our policy is to pay distributions from cash flow from operations. However, our organizational documents permit us to pay distributions to our stockholders from any source, including from borrowings, sale of assets and from offering proceeds or we may make distributions in the form of taxable stock dividends. We have paid and may continue to pay distributions from sources other than cash flow from operations, including from offering proceeds, and as a result we will have less cash available for investments and your overall return will be reduced. We have not established a cap on the use of proceeds to fund distributions. Our distributions, particularly during the period before we have substantially invested the net proceeds from this offering, will likely exceed our earnings, which may represent a return of capital for tax purposes.

In order to provide additional cash to pay distributions before we have acquired a substantial portfolio of income producing investments, our sponsor had agreed pursuant to the terms of a distribution support agreement in certain circumstances where our cash distributions exceeded MFFO, to purchase up to \$5.0 million of shares in our public offerings (including the \$2.0 million of shares purchased to satisfy the minimum offering in our initial public offering). The sponsor had purchased Class IX shares in our initial public offering and Class I shares in this offering at the then current offering price per such class of shares. Shares purchased by our sponsor pursuant to the distribution support agreement will be eligible to receive all distributions payable by us with respect to such class of shares. If we pay distributions from sources other than our cash flow from operations, we will have less cash available for investments, we may have to reduce our distribution rate, our net asset value may be negatively impacted and your overall return may be reduced. Our sponsor has fulfilled its remaining obligation pursuant to the distribution support agreement in the second quarter of 2022 and has no remaining obligation pursuant to the distribution support agreement. Upon expiration of the distribution support agreement, we may not have sufficient cash available to pay distributions at the rate we had paid during preceding periods or at all.

We define MFFO in accordance with the definition established by the Institute for Portfolio Alternatives, or IPA. Our computation of MFFO may not be comparable to other REITs that do not calculate MFFO using the current IPA definition. MFFO is calculated using funds from operations, or FFO. We expect to compute funds from operation (“FFO”) in accordance with the standards established by the National Association of Real Estate Investment Trusts, or NAREIT, as net income or loss (computed in accordance with accounting principles generally accepted in the United States, or U.S. GAAP), excluding gains or losses from sales of depreciable properties, the cumulative effect of changes in accounting principles, real estate-related depreciation and amortization, impairment charges on depreciable property owned directly or indirectly and after adjustments for unconsolidated/uncombined partnerships and joint ventures. FFO, as defined by NAREIT, is a computation made by analysts and investors to measure a real estate company’s cash flow generated by operations. Our computation

of FFO may not be comparable to other REITs that do not calculate FFO in accordance with the current NAREIT definition. MFFO excludes from FFO the following items:

- acquisition fees and expenses;
- straight-line rent and amortization of above or below intangible lease assets and liabilities;
- amortization of discounts, premiums and fees on debt investments;
- non-recurring impairment of real estate-related investments;
- realized gains (losses) from the early extinguishment of debt;
- realized gains (losses) on the extinguishment or sales of hedges, foreign exchange, securities and other derivative holdings except where the trading of such instruments is a fundamental attribute of our business;
- unrealized gains (losses) from fair value adjustments on real estate securities, including CMBS and other securities, interest rate swaps and other derivatives not deemed hedges and foreign exchange holdings;
- unrealized gains (losses) from the consolidation from, or deconsolidation to, equity accounting;
- adjustments related to contingent purchase price obligations; and
- adjustments for consolidated and unconsolidated partnerships and joint ventures calculated to reflect MFFO on the same basis as above.

FFO and MFFO should not be considered as an alternative to net income (determined in accordance with U.S. GAAP) as an indication of performance. In addition, FFO and MFFO do not represent cash generated from operating activities determined in accordance with U.S. GAAP and are not a measure of liquidity. FFO and MFFO should be considered in conjunction with reported net income and cash flows from operations computed in accordance with U.S. GAAP, as presented in the financial statements.

#### **Distribution Reinvestment Plan**

We have adopted a distribution reinvestment plan, pursuant to which, if you subscribe for shares pursuant to this offering, your distributions will be automatically reinvested in additional whole or fractional common shares, unless you are a resident of Alabama, Arkansas, California, Idaho, Kansas, Kentucky, Maine, Maryland, Massachusetts, Nebraska, New Jersey, North Carolina, Ohio, Oregon, Vermont or Washington, are a client of a participating broker dealer that does not permit automatic enrollment in the distribution reinvestment plan, or you elect not to become a participant by noting such election on your subscription agreement. If you are a resident of Alabama, Arkansas, California, Idaho, Kansas, Kentucky, Maine, Maryland, Massachusetts, Nebraska, New Jersey, North Carolina, Ohio, Oregon, Vermont or Washington, or a client of a participating broker dealer that does not permit automatic enrollment in the distribution reinvestment plan, you may choose to enroll as a participant in our distribution reinvestment plan by noting such election on your subscription agreement.

If you participate in our distribution reinvestment plan, the cash distributions attributable to the class of shares that you own will be automatically invested in additional shares of the same class of shares. The purchase price for shares purchased under our distribution reinvestment plan will equal the transaction price applicable to the class of shares being acquired at the time the distribution is payable. Stockholders will not pay upfront selling commissions or dealer manager fees in connection with shares purchased pursuant to our distribution reinvestment plan; however, distributions with respect to all outstanding Class T shares, Class S shares and Class D shares, including those purchased pursuant to our distribution reinvestment plan, will be reduced by ongoing distribution fees. We may amend, suspend or terminate the distribution reinvestment plan for any reason

at any time upon 10 days' notice to the participants. We may provide notice by including such information (a) in a Current Report on Form 8-K or in our annual or quarterly reports, all publicly filed with the SEC or (b) in a separate mailing to the participants. Please see the "Description of Shares—Distribution Reinvestment Plan" section of this prospectus for further explanation of our distribution reinvestment plan, a complete copy of which is included as Appendix B to this prospectus.

### **Share Repurchase Program**

Our shares are currently not listed on a national securities exchange, and we do not know whether they will ever be listed. In order to provide our stockholders with some liquidity, we have adopted a share repurchase program which is applicable to all shares of our common stock. As described below, we cannot guarantee that our share repurchase program will be available indefinitely. Stockholders who have purchased shares from us or received their shares through a non-cash transaction, not in the secondary market, may receive the benefit of limited liquidity by presenting for repurchase to us all or a portion of those shares, in accordance with the procedures outlined herein and subject to the limitations and restrictions of the program described below. There is no fee payable to our advisor, our sponsor, our board of directors or any other party in connection with the repurchase of shares pursuant to our share repurchase program.

Subject to the limitations of and restrictions on the program, and subject to funds being available as described below, shares repurchased under the share repurchase program will be repurchased at a price equal to the transaction price, which generally will be equal to the most recently determined NAV per share applicable to the class of shares being repurchased and most recently disclosed by us in a public filing with the SEC (subject to the 5% holding discount described below). Under our share repurchase program, we may repurchase during any calendar month common shares (including IPO shares) whose aggregate value (based on the transaction price per share in effect when the repurchase is effected) is 2% of our aggregate NAV as of the last calendar day of the previous month and during any calendar quarter whose aggregate value (based on the transaction price per share in effect when the repurchase is effected) is up to 5% of our aggregate NAV as of the last calendar day of the prior calendar quarter. During a given quarter, if in each of the first two months of such quarter the 2% repurchase limit is reached and stockholders' repurchases are reduced pro rata for such months, then in the third and final month of that quarter, the applicable limit for such month will likely be less than 2% of our aggregate NAV as of the last calendar day of the previous month because the repurchases for that month, combined with the repurchases in the previous two months, cannot exceed 5% of our aggregate NAV as of the last calendar day of the prior calendar quarter.

There is no minimum holding period for your shares and you can request that we repurchase your shares at any time. However, shares that have not been outstanding for at least one year will be repurchased at 95% of the transaction price (the "5% holding discount") that would otherwise apply; provided, that, the period that a share was held prior to being converted into a share of another class pursuant to our charter will count toward the total hold period for such share, as converted. In addition, stockholders who have received shares of our common stock in exchange for their operating partnership units may include the period of time the stockholders held such operating partnership units for purposes of calculating the total hold period. Upon request, we may waive the 5% holding discount in the case of the death or disability of a stockholder. The 5% holding discount also will be waived with respect to shares issued pursuant to our distribution reinvestment plan and any shares that we issue as stock dividends.

If you would like to request repurchase of your shares, you should contact us to receive the required repurchase forms and instructions concerning required signatures. Certain broker dealers require that their clients make repurchase requests through their broker dealer, so you should contact your broker dealer first if you want to request repurchase of your shares. Stockholders may request that we repurchase all or any portion of their shares as of the close of business on the last calendar day of each full calendar month (the "Repurchase Date"). To have

your shares repurchased, repurchase requests and required documentation must be received by us in “good order” by 4:00 p.m. Eastern time on the second to last business day of the applicable month. If a repurchase request is received after such time, the repurchase order will be executed on the next month’s Repurchase Date at the transaction price applicable for that Repurchase Date (subject to any 5% holding discount), unless such request is withdrawn prior to that Repurchase Date. Stockholders will generally have at least 20 business days (from the last business day of the previous month to the second to last business day of the applicable month) during which to decide whether to request the repurchase of their shares as of the end of the current month. Stockholders may withdraw their repurchase requests before they have been processed by notifying a customer service representative available on our toll-free information line at 855-9-CANTOR before 4:00 p.m. Eastern time on the second to last business day of the applicable month. Settlements of share repurchases will be made within three business days after the Repurchase Date.

The transaction price as of each Repurchase Date will generally be equal to the most recently determined NAV per share then in effect as of that Repurchase Date. As indicated below in “Net Asset Value Calculation and Valuation Procedures,” we expect to commence monthly valuations no later than the end of the first full calendar month following the commencement of this offering. Once we commence monthly valuations, the transaction price generally will be disclosed within 15 calendar days following the last calendar day of each month. The transaction price per share will be posted on the Company’s website ([www.cfincometrust.com](http://www.cfincometrust.com)) promptly after it becomes available and will also be available through our toll-free information line at 855-9-CANTOR. Under normal circumstances, we expect to fulfill repurchase requests, subject to the 2% monthly and 5% quarterly limitations. In certain circumstances stockholders may make a repurchase request for a particular Repurchase Date before the transaction price is made available; however, the transaction price will be made available for a period of at least 10 business days ending on or before the second to last business day of each month and, as result, all stockholders will have at least a ten business day period to consider the transaction price before the deadline to submit or withdraw a repurchase request (the first day of the ten business day period is the day the transaction price is made available and the tenth business day of the period is the deadline to submit or withdraw a repurchase request (the second to last business day of the month)).

We may repurchase fewer shares than have been requested to be repurchased in any particular month, or none at all, in our discretion, including due to the lack of readily available funds because of market conditions, the need to maintain liquidity for operations or because our board of directors has determined that investing in real property or other illiquid investments is a better use of our capital than repurchasing our shares. In the event that we determine to repurchase some but not all of the shares submitted for repurchase during any month, shares submitted for repurchase during such month will be repurchased on a pro rata basis. The portion of any unfulfilled repurchase requests due to any of the limitations described above must be resubmitted after the start of the next month or quarter, or upon the recommencement of the share repurchase program, as applicable. Any determination to repurchase fewer shares than have been requested to be repurchased may be made immediately prior to the applicable Repurchase Date, and will be disclosed subsequently to prospective investors and stockholders in periodic prospectus supplements and/or reports filed by us, or more frequently as required by applicable securities laws.

Unless our board of directors determines otherwise, we intend to fund repurchases pursuant to our share repurchase program from any available cash sources at our disposal, including available cash, cash flow from operations, the sale of real estate-related securities and other assets, borrowings or offering proceeds, without any limitation on the amounts we may pay from such sources. Our board of directors has complete discretion to determine whether all available cash sources at our disposal will be applied to repurchases pursuant to the program, whether such funds are needed for other purposes or whether additional funds from other sources may be used for repurchases pursuant to the program.

If repurchase requests, in the business judgment of our board of directors, place an undue burden on our liquidity, adversely affect our operations or risk having an adverse impact on stockholders whose shares are not



repurchased, then our board of directors may terminate, suspend or amend the share repurchase program at any time without stockholder approval, if it deems such action to be in the best interest of our stockholders. In addition, our board of directors may determine to suspend the share repurchase program due to regulatory changes, changes in law or if our board of directors becomes aware of undisclosed material information that it believes should be publicly disclosed before shares are repurchased. Material modifications, including any reduction to the monthly or quarterly limitations on repurchases, and suspensions of the program will be promptly disclosed to stockholders in a prospectus supplement (or post-effective amendment if required by the Securities Act) or current report on Form 8-K filed with the SEC. Any material modifications will also be disclosed on our website. Further, our share repurchase program will be terminated in the event that our shares ever become listed on a national securities exchange or in the event a secondary market for our common shares develops. Please see “Risk Factors—Risks Related to This Offering and Our Corporate Structure—Your ability to have your shares repurchased is limited under our share repurchase program. If you are able to have your shares repurchased, it may be at a price that is less than the price you paid for the shares and the then-current market value of the shares.”

Any new transaction price may be higher or lower than the most recently disclosed transaction price. The transaction price is not a representation, warranty or guarantee that (i) a stockholder would be able to realize such per share amount if such stockholder attempts to sell his or her shares; (ii) a stockholder would ultimately realize distributions per share equal to such per share amount upon our liquidation or sale; (iii) shares of our common stock would trade at such per share amount on a national securities exchange; or (iv) a third party would offer such per share amount in an arm’s-length transaction to purchase all or substantially all of our shares of common stock.

### **Leverage**

We expect that once we have fully invested the proceeds of this offering, our debt financing and other liabilities will be approximately 60% of the cost of our tangible assets (before deducting depreciation, reserves for bad debts or other non-cash reserves), although it may exceed this level during our offering stage. Our charter limits our total liabilities to 300% of the cost of our net assets, which we expect to approximate 75% of the cost of our tangible assets (before deducting depreciation, reserves for bad debt or other non-cash reserves); however, we may exceed that limit if a majority of our independent directors approves each borrowing in excess of our charter limitation and we disclose such borrowing to our stockholders in our next quarterly report with an explanation of the justification for the excess borrowing. There is no limitation on the amount we may borrow for the purchase of any single asset. As of September 30, 2023, our debt to tangible assets ratio was 49%.

### **Investment Company Act Considerations**

We intend to conduct our operations and operations of our subsidiaries so that none of us will be required to register as an investment company 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, or proposes to engage 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 exclusion from the definition of investment company set forth in Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act.



We will conduct our businesses primarily through our operating partnership, a wholly-owned subsidiary, and expect to establish other direct or indirect majority-owned subsidiaries to carry out specific activities. We expect the focus of our business will involve investments in real estate, buildings, and other assets that can be referred to as “sticks and bricks” and therefore we will not be an investment company under Section 3(a)(1)(A) of the Investment Company Act. We also may invest in other real estate investments such as mortgages, preferred equity, mezzanine and other debt that may be secured by or related to real estate and real estate-related securities, and will otherwise be considered to be in the real estate business. Both we and the operating partnership intend to conduct our operations so that we comply with the limit imposed by the 40% test and neither will be primarily engaged in or hold itself out as being engaged primarily in the business of investing, reinvesting or trading in securities. Therefore, we expect that we and the operating partnership will not be subject to registration or regulation as an investment company under the Investment Company Act. The securities issued to the operating partnership by its wholly-owned or majority-owned subsidiaries, which subsidiaries are neither investment companies nor companies excluded from the definition of investment company by Sections 3(c)(1) or 3(c)(7) of the Investment Company Act, as well as any securities of any of our direct wholly-owned or majority owned subsidiaries, which direct subsidiaries are neither investment companies nor companies excluded from the definition of investment company by Sections 3(c)(1) or 3(c)(7) of the Investment Company Act, are not investment securities for the purpose of the 40% test.

We may in the future organize special purpose subsidiaries of the operating partnership that will rely on Section 3(c)(1) and/or Section 3(c)(7) for their Investment Company Act exclusion and, therefore, the operating partnership’s interest in each of these subsidiaries would constitute an “investment security” for purposes of determining whether the operating partnership satisfies the 40% test. However, as stated above, we expect that even in such a situation most of our other wholly-owned and majority-owned subsidiaries will not meet the definition of investment company or rely on exclusions under either Section 3(c)(1) or 3(c)(7) of the Investment Company Act. Consequently, we expect that our interests in these subsidiaries (which we expect will constitute a substantial majority of our assets) will not constitute investment securities, and we expect to be able to conduct our operations so that we are not required to register as an investment company under the Investment Company Act, even if some special purpose subsidiaries do rely on Section 3(c)(1) or (1) Section 3(c)(7).

One or more of our subsidiaries or subsidiaries of the operating partnership may seek to qualify for an exclusion from registration as an investment company under the Investment Company Act pursuant to other provisions of the Investment Company Act, such as Section 3(c)(5)(C) which is available for entities “primarily engaged in the business of purchasing or otherwise acquiring mortgages and other liens on and interests in real estate.” This exclusion, as interpreted by the staff of the SEC, generally requires that at least 55% of such a subsidiary’s portfolio be comprised of qualifying interests, and at least 80% of the total portfolio must be comprised of qualifying interests and real estate-related interests (and no more than 20% comprised of miscellaneous assets that are neither qualifying interests nor real estate-related interests). We expect our subsidiaries to rely on guidance published by the SEC or the staff of the SEC or on our own analyses of guidance published with respect to other types of assets to determine which assets are qualifying interests and real estate-related interests. Although we do not intend to be an investment company by virtue of the application of the 40% test discussed above, we, the operating partnership and/or our direct or indirect subsidiaries may seek to rely upon the exclusion from the definition of investment company provided by Section 3(c)(6) of the Investment Company Act, which is available for holding company-type entities “primarily engaged, directly or through majority- owned subsidiaries, in one or more of the business described in [Sections 3(c)(3), 3(c)(4) and 3(c)(5), including Section 3(c)(5)(C), of the Investment Company Act]...” In the context of a parent holding company conducting its business through its subsidiaries relying upon the Section 3(c)(5)(C) exclusion, we interpret “primarily engaged” element of the 3(c)(6) exclusion to require that at least 55% of the parent company’s assets to be invested in, and that at least 55% of the parent company’s income to be derived from, the parent company’s majority- and wholly-owned subsidiaries that qualify for the 3(c)(5)(C) exclusion.

In August 2011, the SEC solicited public comment on a wide range of issues relating to Section 3(c)(5)(C), including the nature of the assets that qualify for purposes of the exclusion and whether mortgage REITs should be regulated in a manner similar to investment companies. While as of the date of this prospectus the SEC has not taken further action specifically related to this request for comment, there can be no assurance that the laws and regulations governing the Investment Company Act status of REITs (and/or their subsidiaries), including the guidance of the SEC or its staff regarding this exclusion, will not change in a manner that adversely affects our operations. To the extent that the SEC or its staff publishes new or different guidance with respect to these matters, we may be required to adjust our strategy accordingly. Any additional guidance could provide additional flexibility to us, or it could further inhibit our ability to pursue the strategies we have chosen.

We will monitor our holdings and those of our subsidiaries to ensure continuing and ongoing compliance with these tests, and we will be responsible for making the determinations and calculations required to confirm our compliance with these tests. If the SEC does not agree with our determinations, we may be required to adjust our activities, those of the operating partnership, or those of our other subsidiaries.

Qualification for these exclusions could affect our ability to acquire, hold or dispose of investments, or could require us to dispose of investments that we might prefer to retain in order to remain qualified for such exclusions. Changes in current policies by the SEC and its staff could also require that we alter our business activities for this purpose. If we or our subsidiaries fail to maintain an exclusion from the Investment Company Act, we could, among other things, be required either to (i) change the manner in which we conduct our operations to avoid being required to register as an investment company, (ii) effect sales of our assets in a manner that, or at a time when, we would not otherwise choose to do so, or (iii) register as an investment company, any of which would negatively affect the value of shares of our common stock, the sustainability of our business model, and our ability to make distributions. See “Risk Factors” for a discussion of certain risks associated with the Investment Company Act.

## RISK FACTORS

*An investment in our common stock involves various risks and uncertainties. You should carefully consider the following risk factors in conjunction with the other information contained in this prospectus before purchasing our common stock. The risks discussed in this prospectus could adversely affect our business, operating results, prospects and financial condition. This could cause the value of our common stock to decline and could cause you to lose all or part of your investment. The risks and uncertainties described below are not the only ones we face but do represent those risks and uncertainties that we believe are material to us. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also harm our business.*

### **Risks Related to an Investment in Our Common Stock**

***We have a limited operating history which makes our future performance difficult to predict.***

We have a limited operating history. We were incorporated in the State of Maryland on February 2, 2016. As of the date of this prospectus, we have only made a limited number of investments. Moreover, if our capital resources are insufficient to support our operations, we will not be successful.

You should consider our prospects in light of the risks, uncertainties and difficulties frequently encountered by companies that are, like us, in their early stage of development. To be successful in this market, we or our advisor must, among other things:

- identify and acquire or originate investments that further our investment strategies;
- respond to competition for our targeted investments, as well as for potential investors in us; and
- capitalize our business operations with sufficient debt and equity.

We cannot guarantee that we will succeed in achieving these goals, and our failure to do so could cause you to lose all or a portion of your investment.

***Because this is a blind-pool offering, you will not have the opportunity to evaluate our investments before we make them, which makes your investment in us more speculative.***

We will seek to invest substantially all of the net proceeds from the primary offering after the payment of fees and expenses in a diversified portfolio of income-producing commercial real-estate. Because we have only made a limited number of investments to date and have not identified any other investments that we may make, we are not able to provide you with any information to assist you in evaluating the merits of any specific investments that we may make, except for investments that may be described in supplements to this prospectus. Because you will be unable to evaluate the economic merit of assets before we invest in them, you will have to rely entirely on the ability of our advisor to select suitable and successful investment opportunities. We cannot predict our actual allocation of assets at this time because such allocation will also be dependent, in part, upon the amount of financing we are able to obtain, if any, with respect to each asset class in which we invest. Furthermore, our board of directors will have broad discretion in implementing policies regarding tenant or mortgagor creditworthiness and you will not have the opportunity to evaluate potential tenants, managers or borrowers. These factors increase the speculative nature of an investment in us.

***If we pay cash 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.***

Our organizational documents do not restrict us from paying distributions from any source and do not restrict the amount of distributions we may pay from any source, including proceeds from this offering or the proceeds from the issuance of securities in the future, other third party borrowings, advances from our advisor or sponsor or from our advisor's deferral or waiver of its fees under the advisory agreement. Distributions may also be funded

at least in part, indirectly, due to: (i) organizational and offering expenses paid on our behalf by our advisor, which may be subject to reimbursement to the advisor or its affiliates, (ii) other expenses borne by our advisor, that may be subject to reimbursement to the advisor, and (iii) our advisor's ability to elect to receive a portion of its asset management fee in Class I shares or Class I operating partnership units, which may be repurchased at a later date. In addition, these factors may have a smoothing effect on our NAV. It is anticipated that during the offering and acquisition phase, when we are building our portfolio and before the properties have had an opportunity to appreciate, distributions are more likely to be funded at least partially with cash flows from financing activities determined on a GAAP basis, which may include, among other things, offering proceeds and borrowings. This distribution policy may not be a sustainable long-term policy. Distributions paid from sources other than current or accumulated earnings and profits, particularly during the period before we have substantially invested the net proceeds from this offering, may constitute a return of capital for tax purposes. From time to time, particularly during the period before we have substantially invested the net proceeds from this offering, we may generate taxable income greater than our taxable income for financial reporting purposes, or our taxable income may be greater than our cash flow available for distribution to stockholders. In these situations we may make distributions in excess of our cash flow from operations, investment activities and strategic financings to satisfy the REIT distribution requirement. In such an event, we would look first to other third party borrowings to fund these distributions. If we fund distributions from financings, the net proceeds from this offering or sources other than our cash flow from operations, we will have less funds available for investment in commercial real estate and your overall return may be reduced. In addition, if the aggregate amount of cash we distribute to stockholders in any given year exceeds the amount of our taxable income generated during the year, the excess amount will either be (1) a return of capital or (2) a gain from the sale or exchange of property to the extent that a stockholder's basis in our common stock equals or is reduced to zero as the result of our current or prior year distributions. Such distributions may effectively dilute or reduce the value of the stockholders remaining interest in our company's net asset value. For further information regarding the tax consequences in the event we make distributions other than from cash flow from operations, see "Federal Income Tax Considerations—Taxation of Stockholders—Taxation of Taxable Domestic Stockholders."

Pursuant to the distribution support agreement, our sponsor had agreed in certain circumstances where our cash distributions exceeded MFFO, to purchase up to \$5.0 million of shares in our public offerings (including the \$2.0 million of shares purchased to satisfy the minimum offering in our initial public offering). As of September 30, 2023, our sponsor has no remaining obligation pursuant to the distribution support agreement. Subsequent to the expiration of the distribution support agreement, we may not have sufficient cash available to pay distributions at the rate we had paid during preceding periods or at all.

If we pay distributions from sources other than our cash flow from operations, we will have less cash available for investments, we may have to reduce our distribution rate, our net asset value may be negatively impacted and your overall return may be reduced. As of September 30, 2023, we have declared cumulative distributions of \$68,418,820, of which 23% of our cash distributions were paid using proceeds from our public offering. For the nine months ended September 30, 2023, 33% of our cash distributions were paid using proceeds from our public offerings.

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

There is no public market for our shares and we currently have no plans to list our shares on a national securities exchange. Until our shares are listed, if ever, it will be difficult for you to sell your shares. In addition, our charter prohibits the ownership of more than 9.8% in value or number of shares, whichever is more restrictive, of our outstanding common stock, unless exempted (prospectively or retroactively) by our board of directors, which may discourage large investors from purchasing your shares. In its sole discretion, our board of directors could amend, suspend or terminate our share repurchase program without stockholder approval. Further, the share repurchase program includes numerous restrictions that will severely limit your ability to sell your shares. We describe these restrictions in more detail under "Description of Shares—Share Repurchase Program." Therefore, it will be difficult

for you to sell your shares promptly or at all. If you are able to sell your shares, you would likely have to sell them at a substantial discount to their public offering price. It is also likely that your shares would not be accepted as the primary collateral for a loan. Because of the illiquid nature of our shares, you should purchase our shares only as a long-term investment and be prepared to hold them for an indefinite period of time.

***The availability and timing of distributions to our stockholders is uncertain and cannot be assured.***

There is no assurance that distributions will be authorized and paid. We cannot assure you that we will have sufficient cash to pay distributions to you or that the amount of any such distributions will increase over time. In addition, the distribution fees payable with respect to Class T shares, Class S shares and Class D shares will reduce the amount of funds available for distribution with respect to all Class T shares, Class S shares and Class D shares, as applicable (including Class T shares, Class S shares and Class D shares issued pursuant to our distribution reinvestment plan). Further, because the distribution fees payable with respect to Class T shares and Class S shares are higher than those payable with respect to Class D shares, distributions with respect to Class T shares and Class S shares will be lower than distributions with respect to Class D shares; also, because there are no distribution fees payable with respect to Class I shares, distributions with respect to Class T shares, Class S shares and Class D shares will be lower than distributions with respect to Class I shares. Should we fail for any reason to distribute at least 90% of our REIT taxable income, we would not qualify for the favorable tax treatment accorded to REITs absent qualifying remedial action.

***If we raise substantial offering proceeds in a short period of time, we may not be able to invest all of our offering proceeds promptly, which may cause our distributions and your investment returns to be lower than they otherwise would be.***

The more shares we sell in our offering, the greater our challenge will be to invest all of our net offering proceeds. The large size of our offering increases the risk of delays in investing our net proceeds promptly and on attractive terms. Pending investment, the net proceeds of our offering may be invested in permitted temporary investments, which include short-term United States government securities, bank certificates of deposit and other short-term liquid investments. The rate of return on these investments, which affects the amount of cash available to make distributions to stockholders, has fluctuated in recent years and most likely will be less than the return obtainable from the type of investments in the real estate industry we seek to acquire or originate. Therefore, delays we encounter in the selection, due diligence and acquisition or origination of investments would likely limit our ability to pay distributions to you and lower your overall returns. In addition, cash and cash equivalents may potentially subject us to concentration of risk and at times, balances with any one financial institution may exceed the Federal Deposit Insurance Corporation insurance limits. As of September 30, 2023, we held \$31 million of cash and cash equivalents inclusive of unrestricted cash held by our consolidated subsidiaries and had \$75 million of available capacity to draw on our credit facility.

***The transaction price for shares of our common stock is based on our NAV and will not be based on any public trading market. Neither NAV nor the transaction price may be an accurate reflection of the fair market value of our assets and liabilities and likely will not represent the amount of net proceeds that would result if we were liquidated or dissolved or the amount you would receive upon the sale of your shares.***

The NAV per share and the transaction price per share of each class of shares, if different than NAV, may not be an accurate reflection of the fair value of our assets and liabilities in accordance with GAAP, may not reflect the price at which we would be able to sell all or substantially all of our assets or the outstanding shares of our common stock in an arm's length transaction, may not represent the value that our stockholders could realize upon a sale of our company or upon the liquidation of our assets and settlement of our liabilities, and may not be indicative of the price at which shares of our common stock would trade if they were listed on a national securities exchange. In addition, such values may not be the equivalent of the disclosure of a market price by an open-ended real estate fund.



See “Net Asset Value Calculation and Valuation Procedures” for a description of our policy with respect to valuations of our common stock. Any methodologies used to determine an NAV per share may be based upon assumptions, estimates and judgments that may not be accurate or complete, such that, if different property-specific and general real estate and capital market assumptions, estimates and judgments were used, it could result in an NAV per share that is significantly different.

***Valuations and appraisals of our properties, real estate-related assets and real estate-related liabilities are estimates of value and may not necessarily correspond to realizable value.***

The valuation methodologies used to value our properties and certain real estate-related assets involve subjective judgments regarding such factors as comparable sales, rental revenue and operating expense data, the capitalization or discount rate, and projections of future rent and expenses based on appropriate analysis. In addition, we generally do not undertake to mark to market our debt investments or real estate-related liabilities, but rather these assets and liabilities are usually included in our determination of NAV at an amount determined in accordance with GAAP. As a result, valuations and appraisals of our properties, real estate-related assets and real estate-related liabilities are only estimates of current market value. Ultimate realization of the value of an asset or liability depends to a great extent on economic and other conditions beyond our control and the control of the Independent Valuation Firm and other parties involved in the valuation of our assets and liabilities. Further, these valuations may not necessarily represent the price at which an asset or liability would sell, because market prices of assets and liabilities can only be determined by negotiation between a willing buyer and seller. Valuations used for determining our NAV also are generally made without consideration of the expenses that would be incurred in connection with disposing of assets and liabilities. Therefore, the valuations of our properties, our investments in real estate-related assets and our liabilities may not correspond to the timely realizable value upon a sale of those assets and liabilities. Our NAV does not currently represent enterprise value and may not accurately reflect the actual prices at which our assets could be liquidated on any given day, the value a third party would pay for all or substantially all of our shares, or the price that our shares would trade at on a national stock exchange. There will be no retroactive adjustment in the valuation of such assets or liabilities, the price of our shares of common stock, or the price we paid to repurchase shares of our common stock to the extent such valuations prove to not accurately reflect the true estimate of value and are not a precise measure of realizable value. Because the price you will pay for our shares, and the price at which your shares may be repurchased by us pursuant to our share repurchase program, will be based on our NAV per share, you may pay more than realizable value or receive less than realizable value for your investment.

***In order to disclose a monthly NAV, we are reliant on the parties that we engage for that purpose, in particular the Independent Valuation Firm and the appraisers that we will hire to value and appraise our real estate portfolio.***

In order to disclose a monthly NAV, our board of directors, including a majority of our independent directors, has adopted valuation procedures and engaged independent third parties, such as the Independent Valuation Firm, to value our assets and liabilities and to calculate our NAV on a monthly basis, and independent appraisal firms, to provide periodic appraisals with respect to our properties. We may also engage other independent third parties to value other assets or liabilities. Our board of directors, including a majority of our independent directors, may replace the Independent Valuation Firm with another third party or retain another third-party firm to calculate the NAV for each of our share classes, if it is deemed appropriate to do so. Although our board of directors, with the assistance of the advisor, oversees all of these parties and the reasonableness of their work product, we will not independently verify our NAV or the components thereof, such as the appraised values of our properties. Our management’s assessment of the market values of our properties may also differ from the appraised values of our properties as determined by the Independent Valuation Firm. If the parties engaged by us to determine our monthly NAV are unable or unwilling to perform their obligations to us, our NAV could be inaccurate or unavailable, and we could decide to suspend this offering and our share repurchase program.

***Our NAV is not subject to GAAP, will not be independently audited and will involve subjective judgments by the Independent Valuation Firm and other parties involved in valuing our assets and liabilities.***

Our valuation procedures and our NAV are not subject to GAAP and will not be subject to independent audit. Our NAV may differ from equity (net assets) reflected on our audited financial statements, even if we are required to adopt a fair value basis of accounting for GAAP financial statement purposes. Additionally, we are dependent on our advisor to be reasonably aware of material events specific to our properties (such as tenant disputes, damage, litigation and environmental issues) that may cause the value of a property to change materially and to promptly notify the Independent Valuation Firm so that the information may be reflected in the calculation of our NAV. In addition, the implementation and coordination of our valuation procedures include certain subjective judgments of our advisor, such as whether the Independent Valuation Firm should be notified of events specific to our properties that could affect their valuations, as well as of the Independent Valuation Firm and other parties we engage, as to whether adjustments to asset and liability valuations are appropriate. Accordingly, you must rely entirely on our board of directors to adopt appropriate valuation procedures and on the Independent Valuation Firm and other parties we engage in order to arrive at our NAV, which may not correspond to realizable value upon a sale of our assets.

***Our board of directors, including a majority of our independent directors, may adopt changes to the valuation procedures.***

Each year our board of directors, including a majority of our independent directors, will review the appropriateness of our valuation procedures and may, at any time, adopt changes to the valuation procedures. For example, we currently exclude amounts owed to our advisor for reimbursement of organization and offering expenses consistent with our valuation procedures. We also do not generally undertake to mark to market our real estate-related liabilities, but rather these liabilities are usually included in our determination of NAV at an amount determined in accordance with GAAP. As a result, the realizable value of specific debt investments and real property assets encumbered by debt that are used in the calculation of our NAV may be higher or lower than the value that would be derived if such property-related liabilities were marked to market. In some cases such difference may be significant. If we acquire real property assets as a portfolio, we may pay a premium over the amount that we would pay for the assets individually. Other public REITs may use different methodologies or assumptions to determine their NAV. As a result, it is important that you pay particular attention to the specific methodologies and assumptions we use to calculate our NAV. Our board of directors may change these or other aspects of our valuation procedures, which changes may have an adverse effect on our NAV and our transaction prices. See “Net Asset Value Calculation and Valuation Procedures” for more details regarding our valuation methodologies, assumptions and procedures.

***Our NAV per share may materially change if the valuations of our properties materially change from prior valuations or the actual operating results materially differ from what we originally budgeted, including as a result of our advisor invoicing us for previously unbilled operating expenses.***

It is possible that the annual appraisals of our properties may not be spread evenly throughout the year and that new appraisals may differ from the prior valuation utilized in the most recent prior valuation. As such, when these appraisals are reflected in our Independent Valuation Firm’s valuation of our real estate portfolio, there may be a material change in our NAV per share for each class of our common stock. Property valuation changes can occur for a variety of reasons, such as local real estate market conditions, the financial condition of our tenants, or lease expirations. For example, we will regularly face lease expirations across our portfolio, and as we move further away from lease commencement toward the end of a lease term, the valuation of the underlying property will be expected to drop depending on the likelihood of a renewal or a new lease on similar terms. Such a valuation drop can be particularly significant when closer to a lease expiration, especially for single tenant buildings or where an individual tenant occupies a large portion of a building. We are at the greatest risk of these valuation changes during periods in which we have a large number of lease expirations as well as when the lease of a significant tenant is closer to expiration. Similarly, if a tenant will have an option in the future to purchase



one of our properties from us at a price that is less than the current valuation of the property, then if the value of the property exceeds the option price, the valuation will be expected to decline and begin to approach the purchase price as the date of the option approaches.

In addition, actual operating results may differ from what we originally budgeted, which may cause a material increase or decrease in the NAV per share amounts. We accrue estimated income and expenses on a quarterly basis based on annual budgets as adjusted from time to time to reflect changes in the business throughout the year. On a periodic basis, we adjust the income and expense accruals we estimated to reflect the income and expenses actually earned and incurred. We will not retroactively adjust the NAV per share of each class for any adjustments. Therefore, because actual results from operations may be better or worse than what we previously budgeted, the adjustment to reflect actual operating results may cause the NAV per share for each class of our common stock to increase or decrease.

Our advisory agreement provides that any operating expenses which have not been invoiced by our advisor will not become our obligations. Without these provisions in our advisory agreement, such operating expenses, if invoiced, would likely be recorded as liabilities of ours, which, in turn, would likely have a negative effect on our NAV per share. Our advisory agreement provides that our advisor will not invoice us for any reimbursement if the impact of such would result in the incurrence of an obligation in an amount that would result in our NAV per share for any class of shares to be less than \$25.00. We may, however, incur and record an obligation to reimburse our advisor, even if it would result in our NAV per share for any class of shares for such quarter to be less than \$25.00, if our board of directors determines that the reasons for the decrease of our NAV per share below \$25.00 were unrelated to our obligation to reimburse our advisor for operating expenses. Our advisory agreement also provides that our advisor may be reimbursed for previously unbilled operating expenses for prior periods in any subsequent quarter, subject to certain limitations, including the limitation related to the NAV per share of \$25.00 referenced above and the 2%/25% limitation. The incurrence of previously unbilled operating expenses likely will have a negative effect on our NAV per share. As of September 30, 2023, our advisor has incurred \$13,397,316 of unreimbursed operating expenses, including \$2,758,860 of unreimbursed operating expenses incurred during the nine months ended September 30, 2023 that have not been invoiced to us.

***It may be difficult to reflect, fully and accurately, material events that may impact our monthly NAV.***

Our advisor's determination of our monthly NAV per share will be based in part on appraisals of each of our properties provided annually by our Independent Valuation Firm or independent third-party appraisal firms in individual appraisal reports reviewed by the Independent Valuation Firm in accordance with valuation guidelines approved by our board of directors. As a result, our published NAV per share in any given month may not fully reflect any or all changes in value that may have occurred since the most recent appraisal. Our advisor will review appraisal reports and monitor our properties and real estate-related securities, and is responsible for notifying the Independent Valuation Firm of the occurrence of any property-specific or market-driven event it believes may cause a material valuation change in the real estate valuation, but it may be difficult to reflect fully and accurately rapidly changing market conditions or material events that may impact the value of our properties and real estate-related securities or liabilities between valuations, or to obtain quickly complete information regarding any such events. For example, an unexpected termination or renewal of a material lease, a material increase or decrease in vacancies or an unanticipated structural or environmental event at a property may cause the value of a property to change materially, yet obtaining sufficient relevant information after the occurrence has come to light and/or analyzing fully the financial impact of such an event may be difficult to do and may require some time. As a result, the NAV per share may not reflect a material event until such time as sufficient information is available and analyzed, and the financial impact is fully evaluated, such that our NAV may be appropriately adjusted in accordance with our valuation guidelines. Depending on the circumstance, the resulting potential disparity in our NAV may be in favor of either stockholders who repurchase their shares, or stockholders who buy new shares, or existing stockholders.

***Our stockholders will experience dilution.***

If you purchase shares of our common stock in our offering, you will incur immediate dilution equal to the costs of the offering we incur in selling such shares. This means that investors who purchase our shares of common stock will pay a price per share that exceeds the amount available to us to invest in assets.

In addition, our stockholders do not have preemptive rights. After your purchase in this offering, our board may elect to (i) sell additional shares in this or future public offerings, including through the distribution reinvestment plan, (ii) issue equity interests in private offerings, (iii) issue shares to our advisor, or its successors or assigns, in payment of an outstanding fee obligation or (iv) issue shares of our common stock to sellers of assets we acquire in connection with an exchange of limited partnership interests of the operating partnership. To the extent we issue additional equity interests after your purchase in this offering, whether in a primary offering, the distribution reinvestment plan or otherwise, your percentage ownership interest in us will be diluted. In addition, depending upon the terms and pricing of any additional offerings, the use of the proceeds and the value of our investments, you may also experience dilution in the book value and fair value of your shares and in the earnings and distributions per share. Furthermore, you may experience a dilution in the value of your shares depending on the terms and pricing of any share issuances (including the shares being sold in our offering) and the value of our assets at the time of issuance.

***Payments to our advisor or the special unit holder in respect of any common stock or operating partnership units they elect to receive in lieu of fees or distributions will dilute future cash available for distribution to our stockholders.***

Our advisor and the special unit holder may choose to receive our common shares or operating partnership units in lieu of certain fees or distributions. The holders of all operating partnership units will be entitled to receive cash from operations pro rata with the distributions being paid to us and such distributions to the holders of operating partnership units will reduce the cash available for distribution to us and to our stockholders. Furthermore, under certain circumstances the operating partnership units held by our advisor or the special unit holder are required to be repurchased, in cash at the holder's election, and there may not be sufficient cash to make such a repurchase payment; therefore, we may need to use cash from operations, borrowings, offering proceeds or other sources to make the payment, which will reduce cash available for distribution to you or for investment in our operations. Repurchases of any of our shares or operating partnership units that were received by our advisor in lieu of a cash asset management fee are not subject to the monthly and quarterly volume limitations or the 5% holding discount under our share repurchase program, and such sales receive priority over other shares being put for repurchase during such period. Notwithstanding the foregoing, we have adopted a policy in which a majority of independent directors must approve repurchase requests submitted by our advisor that when combined with any stockholder repurchase requests would cause us to exceed the 2% monthly or 5% quarterly limitations on repurchases. As part of such approval, a majority of independent directors must determine that the repurchase will not impair our capital or operations and be consistent with the fiduciary duties of our directors. Repurchases of any of our shares or operating partnership units that were received by the special unit holder in lieu of a cash distribution with respect to its performance participation allocation are not subject to the 5% holding discount under our share repurchase program, but, in the case of shares, such repurchases are subject to the monthly and quarterly volume limitations and do not receive priority over other shares being put for repurchase during such period.

Notwithstanding the foregoing, we have adopted a policy in which the approval of a majority of independent directors is required for any repurchase requests submitted by our advisor that when combined with any stockholder repurchase requests would cause us to exceed the 2% monthly or 5% quarterly limitations on repurchases. As part of such approval, a majority of independent directors must determine that the repurchase will not impair our capital or operations and be consistent with the fiduciary duties of our directors.

***Our ability to implement our investment strategy is dependent, in part, upon the ability of our dealer manager to successfully conduct this offering, which makes an investment in us more speculative.***

We have retained Cantor Fitzgerald & Co., an affiliate of our sponsor and our advisor, to conduct this offering as our dealer manager. Our dealer manager has limited experience serving as a dealer manager for this type of offering or raising proceeds through a similar distribution system. The success of this offering, and our ability to implement our business strategy, is dependent upon the ability of our dealer manager to build and maintain a network of broker-dealers to sell our shares to their clients. If our dealer manager is not successful in establishing, operating and managing this network of broker-dealers, our ability to raise proceeds through this offering will be limited and we may not have adequate capital to implement our investment strategy. In addition, if our dealer manager has difficulties selling our shares of common stock, the amount of proceeds we raise in our offering may be substantially less than the amount we would need to create a diversified portfolio of investments, which could result in less diversification in terms of the type, number and size of investments that we make. If we are unsuccessful in implementing our investment strategy, you could lose all or a part of your investment.

***The loss of or the inability to obtain key real estate professionals at our advisor could delay or hinder implementation of our investment strategies, which could limit our ability to make distributions and decrease the value of your investment.***

Our success depends upon the contributions of Messrs. Lutnick, Milner and Pion. Our advisor does not have an employment agreement with any of these key personnel and we cannot guarantee that all, or any particular one, will remain affiliated with us and/or advisor. If any of these persons were to cease their association with us, whether because they are internalized into other Cantor sponsored programs, or otherwise, our operating results could suffer. We do not intend to maintain key person life insurance on any person. We believe that our future success depends, in large part, upon our advisor's and its affiliates' ability to attract and retain highly skilled managerial, operational and marketing professionals. There is competition for such professionals, and our advisor and its affiliates may be unsuccessful in attracting and retaining such skilled individuals. If we lose or are unable to obtain the services of highly skilled professionals our ability to implement our investment strategies could be delayed or hindered, and the value of your investment may decline.

***If we internalize our management functions, your interests in us could be diluted and we could incur other significant costs associated with being self-managed.***

Our board of directors may decide in the future to internalize our management functions. If we do so, we may elect to negotiate to acquire assets of our advisor and/or to directly employ the personnel of our sponsor or its affiliates that our advisor utilizes to perform services on its behalf for us.

Additionally, while we would no longer bear the cost of the various fees and expenses we expect to pay to our advisor under our advisory agreement, our additional direct expenses would include general and administrative costs, including certain legal, accounting and other expenses related to corporate governance, SEC reporting and compliance matters that otherwise would be borne by our advisor. We would also be required to employ personnel and would be subject to potential liabilities commonly faced by employers, such as workers disability and compensation claims, potential labor disputes and other employee-related liabilities and grievances as well as incur the compensation and benefits costs of our officers and other employees and consultants that will be paid by our advisor or its affiliates. We may issue equity awards to officers, employees and consultants of our advisor or its affiliates in connection with an internalization transaction, which awards would decrease net income and MFFO and may further dilute your investment. We cannot reasonably estimate the amount of fees to our advisor we would save or the costs we would incur if we became self-managed. If the expenses we assume as a result of an internalization are higher than the expenses we avoid paying to our advisor, our net income and MFFO would be lower as a result of the internalization than it otherwise would have been, potentially decreasing the amount of cash available to distribute to you and the value of your shares.

Internalization transactions involving the acquisition of advisors affiliated with entity sponsors have also, in some cases, been the subject of litigation. Even if these claims are without merit, we could be forced to spend

significant amounts of money defending claims which would reduce the amount of funds available for us to invest and cash available to pay distributions.

If we internalize our management functions, we could have difficulty integrating these functions as a stand-alone entity. Currently, our advisor and/or its affiliates perform portfolio management and general and administrative functions, including accounting and financial reporting, for multiple entities. These personnel have substantial know-how and experience which provides us with economies of scale. We may fail to properly identify the appropriate mix of personnel and capital needs to operate as a stand-alone entity. Certain key employees may not become our employees but may instead remain employees of our sponsor or its affiliates. An inability to manage an internalization transaction effectively could result in our incurring excess costs and suffering deficiencies in our disclosure controls and procedures or our internal control over financial reporting. Such deficiencies could cause us to incur additional costs and our management's attention could be diverted from most effectively managing our investments.

***Our rights and the rights of our stockholders to recover claims against our independent directors are limited, which could reduce your and our recovery against our independent directors if they negligently cause us to incur losses.***

Maryland law provides that a director has no liability in that capacity if he performs his duties in good faith, in a manner he reasonably believes to be in our best interests and with the care that an ordinarily prudent person in a like position would use under similar circumstances. Our charter provides that no independent director shall be liable to us or our stockholders for monetary damages and that we will generally indemnify them for losses

unless they are grossly negligent or engage in willful misconduct. As a result, you and we may have more limited rights against our independent directors than might otherwise exist under common law, which could reduce your and our recovery from these persons if they act in a negligent manner. In addition, we may be obligated to fund the defense costs incurred by our independent directors (as well as by our other directors, officers, employees (if we ever have employees) and agents) in some cases, which would decrease the cash otherwise available for distribution to you.

***Our board of directors may change our investment policies generally and at the individual investment level without stockholder approval, which could alter the nature of your investment.***

Our charter requires that our independent directors review our investment policies at least annually to determine that the policies we are following are in the best interests of the stockholders. In addition to our investment policies, we also may change our stated strategy for any particular investment. These policies may change over time. The methods of implementing our investment policies also may vary, as new investment techniques are developed. Our investment policies, the methods for their implementation, and our other strategies, policies and procedures may be altered by our board of directors without the approval of our stockholders except to the extent that the policies are set forth in our charter. As a result, the nature of your investment could change without your consent. Prior to commencement of this offering, our investment strategy was focused primarily on the acquisition of single-tenant net leased commercial properties located in the United States, United Kingdom and other European countries, as well as origination and investment in loans related to net leased commercial properties.

***We will provide investors with information using FFO and MFFO, which are non-GAAP financial measures that may not be meaningful for comparing the performances of different REITs and that have certain other limitations.***

We will provide investors with information using FFO and MFFO, which are non-GAAP measures, as additional measures of our operating performance. We expect to compute FFO in accordance with the standards established by NAREIT. We expect that we will compute MFFO in accordance with the definition established by the IPA.

However, our computation of FFO and MFFO may not be comparable to other REITs that do not calculate FFO or MFFO using these definitions without further adjustments. For more information concerning our computation of FFO and MFFO, see “Description of Shares—Distributions.”

FFO and MFFO should be considered in conjunction with reported net income and cash flows from operations computed in accordance with U.S. GAAP, as presented in the financial statements. Neither FFO nor MFFO is equivalent to net income or cash generated from operating activities determined in accordance with U.S. GAAP and should not be considered as an alternative to net income, as an indicator of our operating performance or as an alternative to cash flow from operating activities as a measure of our liquidity.

***Economic events that may cause our stockholders to request that we repurchase their shares may materially adversely affect our cash flow and our results of operations and financial condition.***

Economic events affecting the U.S. economy, such as the general negative performance of the real estate sector or market volatility (including as a result of the ongoing conflict between Russia and Ukraine), could cause our stockholders to seek to sell their shares to us pursuant to our share repurchase plan at a time when such events are adversely affecting the performance of our assets. Even if we decide to satisfy all resulting repurchase requests, our cash flow could be materially adversely affected. In addition, if we determine to sell assets to satisfy repurchase requests, we may not be able to realize the return on such assets that we may have been able to achieve had we sold at a more favorable time, and our results of operations and financial condition, including, without limitation, breadth of our portfolio by property type and location, could be materially adversely affected.

#### **Risks Related to Conflicts of Interest**

***Our advisor and its affiliates, including all of our executive officers and some of our directors and other key real estate professionals, face conflicts of interest caused by their compensation arrangements with us, which could result in actions that are not in the best interests of our stockholders.***

Our executive officers and the key real estate professionals relied upon by our advisor are compensated by our advisor and its affiliates. Our advisor and its affiliates receive substantial fees from us. These fees could influence our advisor’s advice to us as well as the judgment of affiliates of our advisor. Among other matters, these compensation arrangements could affect their judgment with respect to:

- the continuation, renewal or enforcement of our agreements with our advisor and its affiliates, including the advisory agreement and the dealer manager agreement;
- offerings of equity by us, which entitle our dealer manager to dealer-manager fees and will likely entitle our advisor to increased asset management fees;
- originations of loans and acquisitions of investments at higher purchase prices, which entitle our advisor to higher asset management fees regardless of the quality or performance of the investment or loan and, in the case of acquisitions of investments from other Cantor Companies, might entitle affiliates of our advisor to disposition fees in connection with services for the seller;
- borrowings to acquire investments and to originate loans, which borrowings could increase the asset management fees payable to our advisor;
- whether and when we seek to list our common stock on a national securities exchange, which listing could entitle an affiliate of our advisor to have their special units redeemed; and
- whether and when we seek to sell the company or its assets, which sale could entitle our sponsor to reimbursement of the sponsor support, relating to the payment certain initial public offering expenses.

The amount payable upon a liquidity event to the stockholders who invested in our initial public offering may be reduced, in certain circumstances, by the amount due to the sponsor for reimbursement of sponsor support relating to the payment certain initial public offering expenses.



***We may compete with other Cantor Companies for investment opportunities for our company, which could negatively impact our ability to locate suitable investments.***

Our investment strategy may overlap with some of the strategies of other Cantor Companies. Although Newmark does not currently acquire properties or interests in real estate properties, through its Berkeley Point business, it originates multifamily loans distributed through the GSE programs of Fannie Mae and Freddie Mac, as well as through HUD programs. In addition, in the course of Newmark's business, it may generate fees from the referral of loan opportunities to third parties. Members of Newmark's day to day management teams are generally different than our investment professionals. However, both lines of business are under common control with us. Newmark and its subsidiaries are not restricted from competing with our business, whether by originating or acquiring loans that might be suitable for origination or acquisition by us, or by referring loan opportunities to third parties in exchange for fees. Newmark is not required to refer any such opportunities to us. Our advisor and its affiliates face conflicts of interest relating to performing services on our behalf and allocating investment opportunities to us, and such conflicts may not be resolved in our favor, meaning we could acquire less attractive assets, which could limit our ability to make distributions and reduce your overall investment return.

***Our affiliation with Cantor and the relationships of our executive officers, sponsor and advisor may not lead to investment opportunities for us.***

There can be no assurance that our affiliation with affiliates of our sponsor or the relationships of our executive officers, sponsor and advisor will result in investment opportunities or service relationships for us on favorable terms, if at all. If we are unable to generate attractive investment opportunities, we will have fewer investments and our ability to pay you distributions will be limited. In addition, certain of our affiliates may be constrained by approvals and/or obligations with respect to third-party investors and as a result may not be able to provide services to us.

***Our advisor will face conflicts of interest relating to joint ventures that we may form with affiliates of our advisor, which conflicts could result in a disproportionate benefit to the other venture partners at our expense.***

If approved by a majority of our independent directors, we may enter into joint venture agreements with other Cantor Companies or affiliated entities for the acquisition, development or improvement of properties or other investments. Our advisor and its affiliates, the advisors to the other Cantor Companies and the investment advisers to institutional investors in real estate and real estate-related assets, have some of the same executive officers, directors and other key real estate professionals, and these persons will face conflicts of interest in determining which program or investor should enter into any particular joint venture agreement. These persons may also face a conflict in structuring the terms of the relationship between our interests and the interests of the Cantor-affiliated co-venturer and in managing the joint venture. Any joint venture agreement or transaction between us and a Cantor-affiliated co-venturer will not have the benefit of arm's-length negotiation of the type normally conducted between unrelated co-venturers. The Cantor-affiliated co-venturer may have economic or business interests or goals that are or may become inconsistent with our business interests or goals. As a result, these co-venturers may benefit to our and your detriment.

***The fees we pay to our advisor and its affiliates in connection with our offering and in connection with the management of our investments were not determined on an arm's length basis; therefore, we do not have the benefit of arm's length negotiations of the type normally conducted between unrelated parties.***

The fees to be paid to our advisor, our dealer manager and other affiliates for services they provide for us were not determined on an arm's length basis. As a result, the fees have been determined without the benefit of arm's length negotiations of the type normally conducted between unrelated parties and may be in excess of amounts that we would otherwise pay to third parties for such services.

***Our advisor faces a conflict of interest because the fees it receives for services performed are based in part on our NAV, which our advisor is ultimately responsible for determining.***

Our advisor is paid an asset management fee for its services based on our NAV, which our advisor is ultimately responsible for determining. In addition, the distributions to be received by the special unit holder with respect to its performance participation interest in the operating partnership will be based in part upon the operating partnership's net assets (which is a component of our NAV). The calculation of our NAV includes certain subjective judgments with respect to estimating, for example, the value of our portfolio and our accrued expenses, net portfolio income and liabilities, and therefore, our NAV may not correspond to realizable value upon a sale of those assets. Our advisor may benefit by us retaining ownership of our assets at times when our stockholders may be better served by the sale or disposition of our assets in order to avoid a reduction in our NAV. If our NAV is calculated in a way that is not reflective of our actual NAV, then the purchase price of shares of our common stock or the price paid for the repurchase of your shares of common stock on a given date may not accurately reflect the value of our portfolio, and your shares may be worth less than the purchase price or more than the repurchase price.

***The advisor's asset management fee and the performance participation allocation may not create proper incentives or may induce our advisor and its affiliates to make certain investments, including speculative investments, that increase the risk of our real estate portfolio.***

We pay our advisor an asset management fee regardless of the performance of our portfolio. Our advisor's entitlement to an asset management fee, which is not based upon performance metrics or goals, might reduce its incentive to devote its time and effort to seeking investments that provide attractive risk-adjusted returns for our portfolio. We may be required to pay our advisor a management fee in a particular period despite experiencing a net loss or a decline in the value of our portfolio during that period.

The existence of the 12.5% performance participation interest in our operating partnership to which the special unit holder is entitled, is based on our total distributions plus the change in NAV per share, may create an incentive for our advisor to make riskier or more speculative investments on our behalf than it would otherwise make in the absence of such performance-based compensation. In addition, the change in NAV per share will be based on the value of our investments on the applicable measurement dates and not on realized gains or losses. As a result, the special unit holder may receive distributions based on unrealized gains in certain assets at the time of such distributions and such gains ultimately may not be realized when those assets are eventually disposed of.

Because the asset management fee and the performance participation interest are based on our NAV, our advisor may also be motivated to accelerate acquisitions in order to increase NAV, which would increase amounts payable to our advisor and the special unit holder.

***Our advisor, the real estate professionals assembled by our advisor, their affiliates and our officers face competing demands on their time and this may cause our operations and your investment to suffer.***

We rely on our advisor and the real estate professionals our advisor has assembled, including Messrs. Lutnick, Milner and Pion, for the day-to-day operation of our business. Messrs. Lutnick, Milner and Pion are also executive officers or managers of certain other Cantor Companies and affiliates. As a result of their interests in other Cantor Companies and affiliates, their obligations to other investors and the fact that they engage in and they will continue to engage in other business activities on behalf of themselves and others, Messrs. Lutnick, Milner and Pion face conflicts of interest in allocating their time among us, our advisor and its affiliates, other Cantor Companies as well as other business activities in which they are involved. During times of intense activity in other programs and ventures, these individuals may devote less time and fewer resources to our business than are desirable. As a result, the returns on our investments, and the value of your investment, may decline.



***Certain of our executive officers and certain of our advisor's and its affiliates' key real estate professionals who perform services for us may perform services for other entities to whom they may also owe duties that will conflict with their duties to us.***

Our executive officers and our advisor's and its affiliates' key real estate professionals may provide services for other Cantor Companies. To the extent they do so, they will owe duties to each of these entities, their members and limited partners and investors, which duties may from time-to-time conflict with the fiduciary duties that they owe to us and stockholders. In addition, our sponsor may grant equity interests in our advisor and the special unit holder, to certain management personnel performing services for our advisor. The loyalties of these individuals to other entities and investors could result in action or inaction that is detrimental to our business, which could harm the implementation of our business strategy and our investment opportunities. If we do not successfully implement our business strategy, we may be unable to generate the cash needed to make distributions to stockholders and to maintain or increase the value of our assets.

***Because other real estate programs may be offered through our dealer manager concurrently with our offering, our dealer manager may face potential conflicts of interest arising from competition among us and these other programs for investors and investment capital, and such conflicts may not be resolved in our favor.***

Our dealer manager may also act as the dealer manager for the public and private offerings of other programs sponsored by our sponsor, other Cantor Companies or unaffiliated sponsors. For example, our dealer manager served as the dealer manager for the initial public offering of RIT, a non-traded REIT sponsored by our sponsor and formed primarily to originate mortgage loans secured by commercial real estate and other real-estate related assets. In addition, future programs sponsored by our sponsor, other Cantor Companies or unaffiliated sponsors may seek to raise capital through public offerings conducted concurrently with our offering. As a result, our dealer manager may face conflicts of interest arising from potential competition with these other programs for investors and investment capital. Our sponsor will generally seek to avoid simultaneous offerings by programs that have a substantially similar mix of investment characteristics, including targeted investment types and strategies. Nevertheless, there may be periods during which one or more programs sponsored by our sponsor will be raising capital and may compete with us for investment capital. Such conflicts may not be resolved in our favor and you will not have the opportunity to evaluate the manner in which these conflicts of interest are resolved before or after making your investment.

### **Risks Related to This Offering and Our Corporate Structure**

***Our charter limits the number of shares a person may own, which may discourage a takeover that could otherwise result in a premium price to our stockholders.***

Our charter, with certain exceptions, authorizes our directors to take such actions as are necessary and desirable to preserve our qualification as a REIT. To help us comply with the REIT ownership requirements of the Internal Revenue Code, our charter prohibits a person from directly or constructively owning more than 9.8% in value of our outstanding stock or more than 9.8% in value or number of shares, whichever is more restrictive, of our outstanding common stock, unless exempted (prospectively or retroactively) by our board of directors. This restriction may have the effect of delaying, deferring or preventing a change in control of us, including an extraordinary transaction (such as a merger, tender offer or sale of all or substantially all of our assets) that might provide a premium price for holders of our common stock.

***Our charter permits our board of directors to issue stock with terms that may subordinate the rights of our common stockholders or discourage a third party from acquiring us in a manner that could result in a premium price to our stockholders.***

Our board of directors may classify or reclassify any unissued common stock or preferred stock into other classes or series of stock and establish the preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends and other distributions, qualifications and terms or conditions of repurchase of any such stock.

Thus, our board of directors could authorize the issuance of preferred stock with priority as to distributions and amounts payable upon liquidation over the rights of the holders of our common stock. Such preferred stock could also have the effect of delaying, deferring or preventing a change in control of us, including an extraordinary transaction (such as a merger, tender offer or sale of all or substantially all of our assets) that might provide a premium price to holders of our common stock.

***Maintenance of our Investment Company Act exemption imposes limits on our operations.***

Neither we nor our operating partnership nor any of the subsidiaries of our operating partnership intend to register as an investment company under the Investment Company Act. We intend to make investments and conduct our operations so that we are not required to register as an investment company. If we were obligated to register as an investment company, we would have to comply with a variety of substantive requirements under the Investment Company Act that impose, among other things:

- limitations on capital structure;
- restrictions on specified investments;
- prohibitions on transactions with affiliates; and
- compliance with reporting, recordkeeping, voting, proxy disclosure and other rules and regulations that would significantly increase our operating expenses.

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 securities issued by majority-owned subsidiaries that are not themselves investment companies and are not relying on the exclusion from the definition of investment company set forth in Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act ("non-investment companies").

Because we are a holding company that conducts its businesses through subsidiaries in order to comply with the 40% test, the securities issued by our subsidiaries that rely on the exclusion from the definition of "investment company" in Section 3(c)(1) or 3(c)(7) of the Investment Company Act, together with any other investment securities we may own directly, may not have a combined value in excess of 40% of the value of our total assets (after excluding the value of US government securities and cash items) on an unconsolidated basis. This requirement limits the types of businesses in which we may engage through joint venture partnerships and subsidiaries. For the purposes of the 40% test, however, we take the position that general partnership interests in joint ventures structured as general partnerships are not considered securities at all and thus are not investment securities. We must monitor our holdings and those of our operating partnership to ensure that the value of their investment securities does not exceed 40% of their respective total assets (exclusive of U. S. government securities and cash items) on an unconsolidated basis. Through our operating partnership's subsidiaries, we and our operating partnership will be primarily engaged in the non-investment company businesses of these subsidiaries, namely the business of purchasing or otherwise acquiring mortgages and other liens on and interests in real estate.

One or more of our subsidiaries or subsidiaries of the operating partnership may seek to rely on the exclusion from the definition of an investment company under Section 3(c)(5)(C) of the Investment Company Act, which is available 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 a subsidiary's

portfolio be comprised of qualifying interests and at least 80% of its portfolio must be comprised of qualifying interests and real estate-type interests (and no more than 20% comprised of miscellaneous assets).

Although we do not intend to be an investment company by virtue of the application of the 40% test discussed above, we, the operating partnership and/or our direct or indirect subsidiaries may seek to rely upon the exclusion from the definition of investment company provided by Section 3(c)(6) of the Investment Company Act, which is available for holding company-type entities “primarily engaged, directly or through majority-owned subsidiaries, in one or more of the business described in [Sections 3(c)(3), 3(c)(4) and 3(c)(5), including Section 3(c)(5)(C), of the Investment Company Act]...” In the context of a parent holding company conducting its business through its subsidiaries relying upon the Section 3(c)(5)(C) exclusion, we interpret “primarily engaged” element of the 3(c)(6) exclusion to require that at least 55% of the parent company’s assets to be employed in, and that at least 55% of the parent company’s income to be derived from, the parent company’s majority- and wholly-owned subsidiaries that qualify for the 3(c)(5)(C) exclusion.

Qualification for an exclusion from registration under the Investment Company Act will limit or otherwise impact our ability to acquire or sell certain assets and also could impact or restrict the time at which we may acquire or sell assets. For purposes of the exclusions provided by Sections 3(c)(5)(C), we will classify our investments based in large measure on no-action letters issued by the SEC staff and other SEC interpretive guidance and, in the absence of SEC guidance, on our view of what constitutes a qualifying interest and a real estate-type interest. For purposes of the Section 3(c)(6) exclusion, we will make determinations of whether or not a parent holding company is primarily engaged in the Section 3(c)(3), 3(c)(4) and 3(c)(5), including Section 3(c)(5)(C), businesses of its majority-and wholly-owned subsidiaries based in large measure on no-action letters issued by the SEC staff and other SEC interpretive guidance and, in the absence of SEC guidance, on our view thereof. These no-action positions were and are issued in accordance with factual situations that may be substantially different from the factual situations we may face and a number of these no-action positions related to Section 3(c)(5)(C) were issued more than twenty years ago. In August 2011, the SEC issued a concept release in which it asked for comments on various aspects of Section 3(c)(5)(C) and accordingly, the SEC or its staff may issue further guidance in the future. Future revisions to the Investment Company Act or further guidance from the SEC or its staff may force us to re-evaluate our portfolio and our investment strategy. See “Prospectus Summary— Investment Company Act Considerations.”

***The loss of our Investment Company Act exemption could require us to register as an investment company or substantially change the way we conduct our business, either of which may have an adverse effect on us.***

On August 31, 2011, the SEC published a concept release (Release No. 29778, File No. S7-34-11, *Companies Engaged in the Business of Acquiring Mortgages and Mortgage Related Instruments*), pursuant to which the SEC stated that it and its staff were reviewing whether certain companies that invest in mortgage-backed securities and rely on the exclusion from registration under Section 3(c)(5)(C) of the Investment Company Act, related to such investment activity (which may include one or more of our direct or indirect subsidiaries) should continue to be allowed to rely on such an exclusion from registration. Although the SEC has not taken formal action related to this release since its publication, if the SEC or its staff takes action with respect to this exclusion, any changes could mean that certain of our subsidiaries could no longer rely on the Section 3(c)(5)(C) exclusion and would have to rely on Section 3(c)(1) or 3(c)(7), which would mean that our investment in those subsidiaries would be investment securities and also may not qualify as “good” holdings for the purposes of the Section 3(c)(6) exclusion or the 40% test. This could result in our failure to maintain our exclusion(s) from registration as an investment company.

If we fail to maintain an exclusion from registration as an investment company, either because of SEC interpretational changes or otherwise, we could, among other things, be required either: (i) to substantially change the manner in which we conduct our operations to avoid being required to register as an investment company; or (ii) to register as an investment company, either of which could have an adverse effect on us. If we are required to register as an investment company under the Investment Company Act, we would become subject

to substantial regulation with respect to our capital structure (including our ability to use leverage), management, operations, transactions with affiliated persons (as defined in the Investment Company Act), portfolio composition, including restrictions with respect to diversification and industry concentration and other matters.

***The recently adopted SEC standard of conduct for investment professionals and proposed state legislation or regulations could impact our ability to raise capital.***

On June 5, 2019, the SEC adopted “Regulation Best Interest: The Broker-Dealer Standard of Conduct,” a package of rulemakings and interpretations that address customers’ relationships with investment advisers and broker-dealers under the Securities Exchange Act of 1934, as amended, that includes: (i) the requirement, commencing on June 30, 2020, that broker-dealers refrain from putting the financial or other interests of the broker-dealer ahead of the retail customer, (ii) a new disclosure document, the client relationship summary, or Form CRS, which will be required commencing on June 30, 2020, and will require both investment advisers and broker-dealers to provide disclosure highlighting details about their services and fee structures, as well as conflicts of interest and disciplinary history, (iii) guidance restating and clarifying the SEC’s view on the fiduciary duty owed by investment advisers to clients under Section 206 of the Investment Advisers Act of 1940, as amended, and (iv) guidance clarifying the SEC’s view as to the ability of a broker-dealer to provide advice that is “solely incidental” to its transaction execution services without being required to register as an investment advisor. As part of their duty of care, broker-dealers may have a general obligation to evaluate a variety of products before making their recommendations.

In addition, several states, including Maryland, Nevada, New Jersey, and Massachusetts, have passed laws or proposed regulations requiring investment advisers, broker-dealers and/or agents to disclose conflicts of interest to clients or to meet standards that their advice be in the customer’s best interest. These recent developments could result in additional requirements imposed on such persons related to the marketing of our shares.

While we continue to monitor and evaluate the various proposals, we cannot predict what other proposals may be made, what legislation or regulation may be introduced or become law. Therefore, until such time as final rules or laws are in place, the potential impact on the marketing of our shares through the impacted channels is uncertain. Plan fiduciaries and the beneficial owners of IRAs are urged to consult with their own advisors regarding the impact that Regulation Best Interest may have on purchasing and holding Interests. Regulation Best Interest or any other legislation or regulations that may be introduced or become law in the future could have negative implications on our ability to raise capital.

***Compliance with the SEC’s Regulation Best Interest by participating broker-dealers may negatively impact our ability to raise capital in this offering, which would harm our ability to achieve our investment objectives.***

Commencing June 30, 2020, broker-dealers must comply with Regulation Best Interest, which, among other requirements, establishes a new standard of conduct for broker-dealers and their associated persons when making a recommendation of any securities transaction or investment strategy involving securities to a retail customer. The impact of Regulation Best Interest on participating broker-dealers cannot be determined at this time, and it may negatively impact whether participating broker-dealers and their associated persons recommend this offering to certain retail customers. If Regulation Best Interest reduces our ability to raise capital in this offering, it would harm our ability to create a diversified portfolio of investments and ability to achieve our investment objectives.

***You will have limited control over changes in our policies and operations, which increases the uncertainty and risks you face as a stockholder.***

Our board of directors determines our major policies, including our policies regarding financing, growth, debt capitalization, REIT qualification and distributions. Our board of directors may amend or revise these and other policies without a vote of the stockholders.

Under Maryland General Corporation Law and our charter, our stockholders have a right to vote only on the following limited matters:

- the election or removal of directors;
- the amendment of our charter, except that our board of directors may amend our charter without stockholder approval to (a) increase or decrease the aggregate number of our shares of stock or the number of shares of stock of any class or series that we have the authority to issue, (b) effect certain reverse stock splits, and (c) change our name or the name or other designation or the par value of any class or series of our stock and the aggregate par value of our stock;
- our liquidation or dissolution;
- our conversion;
- statutory share exchanges;
- certain reorganizations of our company, as provided in our charter; and
- certain mergers, consolidations or sales or other dispositions of all or substantially all our assets, as provided in our charter.

Our board's broad discretion in setting policies and our stockholders' inability to exert control over those policies increases the uncertainty and risks you face as a stockholder.

***Your ability to have your shares repurchased is limited under our share repurchase program. If you are able to have your shares repurchased, it may be at a price that is less than the price you paid for the shares and the then-current market value of the shares.***

Our share repurchase program contains significant restrictions and limitations. For example, only stockholders who purchase their shares directly from us or who received their shares through a non-cash transaction, not in the secondary market, are eligible to participate and, generally, if holders of shares do not hold their shares for a minimum of one year, then they will only be eligible for repurchase at 95% of the transaction price that would otherwise apply. We may choose to redeem fewer shares than have been requested in any particular month to be repurchased under our share repurchase program, or none at all, in our discretion at any time. We may repurchase fewer shares than have been requested to be repurchased due to lack of readily available funds because of adverse market conditions beyond our control, the need to maintain liquidity for our operations or because we have determined that investing in real property or other illiquid investments is a better use of our capital than the repurchase of our shares. In addition, the total amount of shares that may be repurchased under our share repurchase program is limited, in any calendar month, to shares whose aggregate value (based on the transaction price per share on the date on the repurchase) is 2% of our aggregate NAV as of the last calendar day of the previous month and during any calendar quarter whose aggregate value (based on the transaction price per share in effect when the repurchase is effected) is up to 5% of our aggregate NAV as of the last calendar day of the prior calendar quarter.

The vast majority of our assets will consist of properties which cannot generally be readily liquidated on short notice without impacting our ability to realize full value upon their disposition. Therefore, we may not always have a sufficient amount of cash to immediately satisfy repurchase requests. Further, we may invest in real estate-related securities and other securities with the primary goal of maintaining liquidity in support of our share repurchase program. Any such investments may result in lower returns than an investment in real estate assets, which could adversely impact our ability to pay distributions and your overall return. In addition, our board of directors may modify, suspend or terminate our share repurchase program at any time in its sole discretion. As a result of these limitations, your ability to have your shares repurchased by us may be limited, our shares should be considered as having only limited liquidity and at times may be illiquid. In addition, the repurchase price you may receive upon any such repurchase may not be indicative of the price you would receive if our shares were



actively traded or if we were liquidated, and you should not assume that you will be able to sell all or any portion of your shares back to us pursuant to our share repurchase program or to third parties at a price that reflects the then current market value of the shares or at all. Please see “Description of Shares—Share Repurchase Program” for a description of all of the terms and limitations associated with our share repurchase program.

***Because the dealer manager is one of our affiliates, you will not have the benefit of an independent due diligence review of us, the absence of which increases the risks and uncertainty you face as a stockholder.***

Our dealer manager, Cantor Fitzgerald & Co., is one of our affiliates. Because our dealer manager is an affiliate, its due diligence review and investigation of us and the prospectus cannot be considered to be an independent review. Therefore, you do not have the benefit of an independent review and investigation of this offering of the type normally performed by an unaffiliated, independent underwriter in a public securities offering.

***Payment of fees to our advisor and its affiliates will reduce cash available for investment and distribution and increases the risk that you will not be able to recover the amount of your investment in our shares.***

Our advisor and its affiliates perform services for us in connection with the selection, acquisition, origination, management, and administration of our investments. We pay them substantial fees for these services, which will result in immediate dilution to the value of your investment and will reduce the amount of cash available for investment or distribution to stockholders. Compensation to be paid to our advisor may be increased, subject to approval by our board of directors, including a majority of our independent directors, and the other limitations in our advisory agreement and charter, which would further dilute your investment and reduce the amount of cash available for investment or distribution to stockholders.

These fees increase the risk that the amount available for distribution to common stockholders upon a liquidation of our portfolio would be less than the purchase price of the shares in this offering. These substantial fees and other payments also increase the risk that you will not be able to resell your shares at a profit, even if our shares are listed on a national securities exchange. For a discussion of our fee arrangement with our advisor and its affiliates, see “Management Compensation.”

***Our charter includes a provision that may discourage a stockholder from launching a tender offer for our shares.***

Our charter provides that any tender offer made by a person, including any “mini-tender” offer, must comply with most provisions of Regulation 14D of the Securities Exchange Act of 1934, as amended. The offeror must provide our company notice of such tender offer at least 10 business days before initiating the tender offer. If the offeror does not comply with these requirements, no person may transfer any shares held by such person to the offeror without first offering the shares to us at the tender offer price offered in such tender offer. In addition, the noncomplying offeror person shall be responsible for all of our company’s expenses in connection with that offeror’s noncompliance. This provision of our charter may discourage a person from initiating a tender offer for our shares and prevent you from receiving a premium price for your shares in such a transaction.

## **Risks Related to Investments in Real Estate**

***Our investments will be subject to the risks typically associated with real estate.***

We intend to invest in a diversified portfolio of income-producing commercial and multifamily properties, as well as other real estate-related assets. Each of these investments 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;
- changes in global, national, regional or local economic, demographic or capital market conditions;

- 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, including increasing vacancy rates, declining rental rates and general deterioration of market 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;
- the potential for uninsured or underinsured property losses; and
- periods of high interest rates and tight money supply.

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 our ability to pay expenses on properties that are not triple net leased, on the ability of our tenants to pay their rent and of our borrowers to pay their loans, as well as on the value that we can realize from other real estate-related assets we originate, own or acquire.

***We intend to invest primarily in commercial real estate related assets; therefore, our results will be affected by factors that affect the commercial real estate industry, including volatility in economic conditions and fluctuations in interest rates.***

Our operating results are subject to risks generally incident to the ownership of commercial real estate, including:

- volatility in general economic conditions;
- changes in supply of or demand for similar or competing properties in a geographic area;
- changes in interest rates and availability of permanent mortgage funds that may render the sale of a property difficult or unattractive;
- the illiquidity of real estate investments generally;
- changes in tax, real estate, environmental and zoning laws; and
- periods of high interest rates and tight money supply.

For these and other reasons, we cannot assure you that we will be profitable or that we will realize growth in the value of our commercial real estate properties.

***We may have difficulty selling or re-leasing our properties, and this lack of liquidity may limit our ability to quickly change our portfolio in response to changes in economic or other conditions.***

Real estate investments generally have less liquidity compared to other financial assets and this lack of liquidity may limit our ability to quickly change our portfolio in response to changes in economic or other conditions. The leases we may enter into or acquire may be for properties that are specially suited to the particular needs of our tenant. With these properties, if the current lease is terminated or not renewed, we may be required to renovate the property or to make rent concessions in order to lease the property to another tenant. In addition, if we are forced to sell the property, we may have difficulty selling it to a party other than the tenant due to the special purpose for which the property may have been designed. These and other limitations may affect our ability to sell properties without adversely affecting returns to our stockholders.



***The commercial real estate industry has been and may continue to be adversely affected by economic conditions in the United States and the global financial markets generally.***

Our business and operations are dependent on the commercial real estate industry generally, which in turn is dependent upon broad economic conditions in the United States and abroad. A worsening of economic conditions would likely have a negative impact on the commercial real estate industry generally and on our business and operations specifically. Additionally, disruptions in the global economy, whether as a result of recent economic conditions in China and the Euro-zone, including relating to Brexit, ongoing epidemics of infectious diseases (including coronavirus), tariff and trade policies, regional conflict (including the ongoing conflict between Russia and Ukraine) or otherwise, may also have a negative impact on the commercial real estate market domestically. Adverse conditions in the commercial real estate industry could harm our business and financial condition by, among other factors, reducing the value of our existing assets, limiting our access to debt and equity capital, harming our ability to originate new commercial real estate debt and otherwise negatively impacting our operations.

The real estate industry generally and the success of our investment activities in particular will both be affected by global and national economic and market conditions generally and by the local economic conditions where our properties are located. These factors may affect the level and volatility of real estate prices, which could impair our profitability or result in losses. In addition, general fluctuations in the market prices of securities and interest rates may affect our investment opportunities and the value of our investments. Our financial condition may be adversely affected by a significant economic downturn and it may be subject to legal, regulatory, reputational and other unforeseen risks that could have a material adverse effect on our businesses and operations (including our advisor).

A depression, recession or slowdown in the U.S. real estate market or one or more regional real estate markets, and to a lesser extent, the global economy (or any particular segment thereof) would have a pronounced impact on us, the value of our assets and our profitability, impede the ability of our assets to perform under or refinance their existing obligations, and impair our ability to effectively deploy our capital or realize upon investments on favorable terms. We would also be affected by any overall weakening of, or disruptions in, the financial markets. Any of the foregoing events could result in substantial losses to our business, which losses will likely be exacerbated by the presence of leverage in our capital structure or our investments' capital structures.

Market disruptions in a single country could cause a worsening of conditions on a regional and even global level, and economic problems in a single country are increasingly affecting other markets and economies. A continuation of this trend could result in problems in one country adversely affecting regional and even global economic conditions and markets. For example, concerns about the fiscal stability and growth prospects of certain European countries in the last economic downturn had a negative impact on most economies of the Eurozone and global markets and the current ongoing conflict between Russia and Ukraine could have a negative impact on those countries and others in the region. The occurrence of similar crises in the future could cause increased volatility in the economies and financial markets of countries throughout a region, or even globally.

Additionally, political leaders in certain European nations have recently been elected on protectionist platforms, fueling doubts about the future of global free trade. The U.S. government has imposed tariffs on certain foreign goods, including steel and aluminum and has indicated a willingness to impose tariffs on imports of other products. Some foreign governments, including China, have instituted retaliatory tariffs on certain U.S. goods and have indicated a willingness to impose additional tariffs on U.S. products. Global trade disruption, significant introductions of trade barriers and bilateral trade frictions, together with any future downturns in the global economy resulting therefrom, could adversely affect our performance.

***Properties that have vacancies for a significant period of time could be difficult to sell, which could diminish the return on your investment.***

A property may incur vacancies either by the continued default of tenants under their leases or the expiration of tenant leases. If vacancies continue for a long period of time, we may suffer reduced revenues resulting in less

cash to be distributed to stockholders. In addition, because properties' market values depend principally upon the value of the properties' leases, the resale value of properties with prolonged vacancies could suffer, which could further reduce your return. The lease on SF Property expired on December 31, 2021 and the tenant did not renew the lease, as such as of September 30, 2023, the SF Property is vacant.

***Our inability to sell a property when we desire to do so could adversely impact our ability to pay cash distributions to you.***

The real estate market is affected by many factors, such as general economic conditions, availability of financing, interest rates and other factors, including supply and demand, that are beyond our control. We cannot predict whether we will be able to sell any property for the price or on the terms set by us, or whether any price or other terms offered by a prospective purchaser would be acceptable to us. We cannot predict the length of time needed to find a willing purchaser and to close the sale of a property.

We may be required to expend funds to correct defects or to make improvements before a property can be sold. We cannot assure you that we will have funds available to correct such defects or to make such improvements.

Moreover, in acquiring a property, we may agree to restrictions that prohibit the sale of that property for a period of time or impose other restrictions, such as a limitation on the amount of debt that can be placed or repaid on that property. These provisions would restrict our ability to sell a property.

***We may not be able to sell our properties at a price equal to, or greater than, the price for which we purchased such property, which may lead to a decrease in the value of our assets.***

Our leases may not contain rental increases over time. Therefore, the value of the property to a potential purchaser may not increase over time, which may restrict our ability to sell a property, or if we are able to sell such property, may lead to a sale price less than the price that we paid to purchase the property.

***Our success is materially dependent upon the financial stability of our tenants.***

Prior to commencement of this offering, our investment focus was primarily on direct equity, joint venture equity, preferred equity, and mezzanine loans related to properties that are net leased to single tenant occupants on a long term basis, and therefore the success of our investments is materially dependent on the financial stability of these tenants. Lease payment defaults by tenants could negatively impact our net income and reduce the amounts available for distributions to our stockholders. A default of a tenant on its lease payment to us could cause us to lose the revenue from the property and require us to find an alternative source of revenue to meet any mortgage payment and prevent a foreclosure if the property is subject to a mortgage. In the event of a default, 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 lease is terminated, there is no assurance that we will be able to re-lease the property for the rent previously received or sell the property without incurring a loss. A failure by any of our tenants to meet their obligations to us could have a material adverse effect on our financial condition and results of operations and on our ability to pay distributions to our stockholders.

***We will depend on tenants for our revenue, and therefore our revenue will be dependent on the success and economic viability of our tenants.***

We expect that rental income from real property will, directly or indirectly, constitute a significant portion of our income. Delays in collecting accounts receivable from tenants could adversely affect our cash flows and financial condition. In addition, the inability of a single major tenant or a number of smaller tenants to meet their rental obligations would adversely affect our income. Therefore, our financial success will be indirectly dependent on the success of the businesses operated by the tenants in our properties or in the properties securing loans we may own. The weakening of the financial condition of or the bankruptcy or insolvency of a significant tenant or a number of smaller tenants and vacancies caused by defaults of tenants or the expiration of leases, may adversely affect our operations and our ability to pay distributions.

Generally, under U.S. bankruptcy law, a debtor tenant has 120 days to exercise the option of assuming or rejecting the obligations under any unexpired lease for nonresidential real property, which period may be extended once by the bankruptcy court. If the tenant assumes its lease, the tenant must cure all defaults under the lease and may be required to provide adequate assurance of its future performance under the lease. If the tenant rejects the lease, we will have a claim against the tenant's bankruptcy estate. Although rent owing for the period between filing for bankruptcy and rejection of the lease may be afforded administrative expense priority and paid in full, pre-bankruptcy arrears and amounts owing under the remaining term of the lease will be afforded general unsecured claim status (absent collateral securing the claim). Moreover, amounts owing under the remaining term of the lease will be capped. Other than equity and subordinated claims, general unsecured claims are the last claims paid in a bankruptcy and therefore funds may not be available to pay such claims in full. In addition, while the specifics of the bankruptcy laws of international jurisdictions may differ from the U.S. bankruptcy laws described herein, the bankruptcy or insolvency of a significant tenant or a number of smaller tenants at any of the international properties we may acquire, may similarly adversely impact our operations and our ability to pay distributions.

***Pandemics or other health crises may adversely affect our tenants' financial condition and the profitability of our properties.***

Our business and the businesses of our tenants could be materially and adversely affected by the risks, or the public perception of the risks, related to a pandemic or other health crisis, such as the recent outbreak of novel coronavirus (COVID-19).

The profitability of our properties depends, in part, on the willingness of customers to visit our tenants' businesses. The risk, or public perception of the risk, of a pandemic or media coverage of infectious diseases could cause employees or customers to avoid our properties, which could adversely affect foot traffic to our tenants' businesses and our tenants' ability to adequately staff their businesses. Such events could adversely impact tenants' sales and/or cause the temporary closure of our tenants' businesses, which could severely disrupt their operations and have a material adverse effect on our business, financial condition and results of operations.

***Unfavorable market, economic and real estate conditions may have a material adverse effect on our results of operations, financial condition and ability to pay distributions to our shareholders.***

Our business may be adversely affected by market, economic and real estate conditions in the U.S. and global economies and/or the local economies in the markets in which our properties are located. Unfavorable market, economic and real estate conditions may be due to, among other things, rising or sustained high interest rates and high inflation, labor market challenges, supply chain disruptions, volatility in the public equity and debt markets, pandemics (such as the COVID-19 pandemic), geopolitical instability (such as the ongoing conflict between Russia and Ukraine), and other conditions beyond our control. Because economic conditions in the United States may affect real estate values, occupancy levels and property income, current and future economic conditions in the United States, including slower growth or a recession and capital market volatility or disruptions, could have a material adverse impact on our earnings and financial condition. Economic conditions may be affected by numerous factors, including, but not limited to, the pace of economic growth and/or recessionary concerns, inflation, increases in the levels of unemployment, energy prices, uncertainty about government fiscal and tax policy, geopolitical events, the regulatory environment, the availability of credit and interest rates. Current conditions, or similar conditions existing in the future, may have a material adverse effect on our results of operations, financial condition and ability to pay distributions to our shareholders.

***Changing circumstances and market conditions, some of which may be beyond our control, could impair our ability to access our existing cash and cash equivalents and investments.***

Changing circumstances and market conditions, some of which may be beyond our control, could impair our ability to access our existing cash and cash equivalents and investments. For example, on March 10, 2023,

*Silicon Valley Bank* (“SVB”) was placed into receivership with the Federal Deposit Insurance Corporation (“FDIC”), which resulted in all funds held at SVB being temporarily inaccessible by SVB’s customers. Although we do not have any funds at SVB, if other banks and financial institutions with whom we have banking relationships enter receivership or become insolvent in the future in response to financial conditions affecting the banking system and financial markets, we may be unable to access, and we may lose, some or all of our existing cash and cash equivalents to the extent those funds are not insured or otherwise protected by the FDIC. In addition, in such circumstances we might not be able to timely pay key vendors and others. We regularly maintain cash balances that are not insured or are in excess of the FDIC’s insurance limit. Any delay in our ability to access our cash and cash equivalents (or the loss of some or all of such funds) may have a material adverse effect on our operations.

***We face possible risks associated with climate change.***

We may become subject to laws or regulations related to climate change, which could cause our business, results of operations and financial condition to be impacted adversely. The federal government has enacted, and some of the states and localities in which we operate may enact, certain climate change laws and regulations or have begun regulating carbon footprints and greenhouse gas emissions. Although these laws and regulations have not had any known material adverse effects on its business to date, they could result in substantial costs, including compliance costs, increased energy costs, retrofit costs and construction costs, including monitoring and reporting costs, and capital expenditures for environmental control facilities and other new equipment. We have implemented strategies to support our continued effort to reduce energy and water consumption, greenhouse gas emissions and waste production across our portfolio. We cannot predict how future laws and regulations, or future interpretations of current laws and regulations, related to climate change will affect our business, results of operations and financial condition. Additionally, the potential physical impacts of climate change on its operations are highly uncertain, and would be particular to the geographic circumstances in areas in which we operate. These may include changes to global weather patterns, which could include local changes in rainfall and storm patterns and intensities, water shortages, changing sea levels and changing temperature averages or extremes. These impacts may adversely affect its properties, its business, financial condition and results of operations.

Additionally, there has been increasing public focus by investors, environmental activists, the media and governmental and nongovernmental organizations on a variety of environmental, social and other sustainability matters. We may make commitments relating to sustainability matters that affect us, including the design and implementation of specific risk mitigation strategic initiatives relating to sustainability. If we are not effective in addressing environmental, social and other sustainability matters affecting its business, or setting and meeting relevant sustainability goals, its reputation may suffer.

***Leases with retail properties’ tenants may restrict us from re-leasing space.***

We may invest in retail properties. Most leases with retail tenants contain provisions giving the particular tenant the exclusive right to sell particular types of merchandise or provide specific types of services within the particular retail center. These provisions may limit the number and types of prospective tenants interested in leasing space in a particular retail property.

***We may invest in healthcare properties. Adverse trends in healthcare provider operations may negatively affect our lease revenues and our ability to make distributions to our stockholders.***

We may invest in healthcare properties. The healthcare industry currently is experiencing changes in the demand for and methods of delivering healthcare services; changes in third party reimbursement policies; significant unused capacity in certain areas, which has created substantial competition for patients among healthcare providers in those areas; continuing pressure by private and governmental payors to reduce payments to providers of services; and increased scrutiny of billing, referral and other practices by federal and state

authorities. These factors may adversely affect the economic performance of some or all of our tenants and, in turn, our lease revenues and our ability to make distributions to our stockholders.

***We or our borrowers may be unable to renew leases, lease vacant space or re-lease space as leases expire, which could adversely affect our financial condition, results of operations, cash flow, cash available for distribution and our ability to satisfy our debt service obligations.***

We cannot assure you that leases will be renewed or that properties will be re-leased at rental rates equal to or above existing rental rates or that substantial rent abatements, tenant improvements, early termination rights or tenant-favorable renewal options will not be offered to attract new tenants or retain existing tenants. If the rental rates at properties decrease, existing tenants do not renew their leases or do not re-lease a significant portion of available space and space for which leases will expire, our financial condition, results of operations, cash flow, cash flow available to pay debt service and our ability to make distributions to our stockholders and to satisfy our principal and interest obligations would be adversely affected. Moreover, the resale value of properties could be diminished because the market value of properties depends upon the value of the leases associated with the properties.

***High levels of unemployment could adversely affect the occupancy and rental rates of any multifamily residential properties we acquire, with high quality multifamily communities suffering even more severely.***

Increased levels of unemployment in multifamily markets could significantly decrease occupancy and rental rates. In times of increasing unemployment, multifamily occupancy and rental rates have historically been adversely affected by:

- rental residents deciding to share rental units and therefore rent fewer units;
- potential residents moving back into family homes or delaying leaving family homes;
- a reduced demand for higher-rent units, such as those of high quality multifamily communities;
- a decline in household formation;
- persons enrolled in college delaying leaving college or choosing to proceed to or return to graduate school in the absence of available employment;
- the inability or unwillingness of residents to pay rent increases; and
- increased collection losses.

These factors generally have contributed to lower rental rates. If these factors worsen, our results of operations, financial condition and ability to make distributions to you may be adversely affected.

***We may recognize substantial impairment charges on our properties.***

We may incur substantial impairment charges, which we are required to recognize whenever we sell a property for less than its carrying value or we determine that the carrying amount of the property is not recoverable and exceeds its fair value (or, for direct financing leases, that the unguaranteed residual value of the underlying property has declined). By their nature, the timing or extent of impairment charges are not predictable. Impairment charges reduce our net income, although they do not necessarily affect our cash flow from operations.

***We have no established investment criteria limiting the geographic or industry concentration of our investments. If our investments are concentrated in an area or asset class that experiences adverse economic conditions, our investments may lose value and we may experience losses.***

Properties that we acquire may be concentrated in a geographic location or in a particular asset class and certain of our investments may be secured by a single property or properties in one geographic location or asset class.



These investments carry the risks associated with significant geographical or industry concentration. 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 properties or properties underlying our investments may be overly concentrated in certain geographic areas or industries and we may experience losses as a result. A worsening of economic conditions, a natural disaster or civil disruptions in a geographic area in which our investments may be concentrated or economic upheaval with respect to a particular asset class, could have an adverse effect on our business, including impairing the value of our properties or of our collateral or reducing the demand for new financings and limiting the ability of borrowers to pay financed amounts. As of September 30, 2023, based on each asset's fair value used in determining our NAV, 31.3% of our real estate assets were located in Texas, 27.3% in Ohio and 14.5% in California. In addition, our portfolio of real estate assets had the following industry concentration (based on each asset's fair value used in determining our NAV): 35.8% multifamily, 32.5% single tenant office, 28.5% in single tenant industrial, 1.6% single tenant life sciences and 1.6% single tenant necessity retail.

***We may be adversely affected by trends in office real estate, including work from home trends.***

As of September 30, 2023, approximately 32.5% of our portfolio was comprised of single tenant office properties. Work from home, flexible or hybrid work schedules, open workplaces, videoconferencing, and teleconferencing are becoming more common, particularly as a result of the COVID-19 pandemic. Changes in tenant space utilization, including increased acceptance of work from home and flexible work arrangement policies, may cause office tenants to reassess their long-term physical space needs, which could have an adverse effect on our business.

***We have no established investment criteria limiting the size of each investment we make. If we have an investment that represents a material percentage of our assets and that investment experiences a loss, the value of your investment in us could be significantly diminished.***

We are not limited in the size of any single investment we may make and certain of our investments may represent a significant percentage of our assets. We may be unable to raise significant capital and invest in a diverse portfolio of assets which would increase our asset concentration risk. Any such investment may carry the risk associated with a significant asset concentration. Should any investment representing a material percentage of our assets, experience a loss on all or a portion of the investment, we could experience a material adverse effect, which would result in the value of your investment in us being diminished.

***Industry concentration of our tenants or our investments may make us particularly susceptible to adverse economic developments in these industries.***

In the event we have a concentration of tenants in a particular industry, our operating results and ability to make distributions may be adversely affected by adverse developments in those industries and we will be subject to a greater risk to the extent that our tenants are not diversified by industry. As of December 31, 2023, two tenants each occupy more than ten percent by square footage of the real property the Company owns interest in: Comenity Servicing, LLC, a subsidiary of Bread Financial that is based in Columbus, OH and provides customer service, billing, and collection services related to credit card receivables; and Mars Petcare US, Inc., the domestic segment of Mars, Incorporated's (S&P: A+ rated, Moody's: A1 rated) global pet care business.

***Our joint venture partners could take actions that decrease the value of an investment to us and lower your overall potential return.***

We may enter into joint ventures with one or more of our affiliates or third parties to make investments. We may also make investments in partnerships or other co-ownership arrangements or participations. Such investments may involve risks not otherwise present with other methods of investment, including, for example, the following risks:

- that our co-venturer or partner in an investment could become insolvent or bankrupt;

- that such co-venturer 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; or
- that such co-venturer or partner may be in a position to take action contrary to our instructions or requests or contrary to our policies or objectives (including actions or investments that are incompatible with our qualification as a REIT or other tax objectives).

Any of the above might subject us to liabilities and thus reduce our returns on our investment with that co-venturer or partner.

***If we enter into long-term leases with tenants, those leases may not result in market rental rates over time, which could adversely affect our revenues and ability to make distributions to you.***

With respect to our net-lease investments, we expect that the majority of our leases will be long-term operating leases. Long-term leases, as well as leases with renewal options that specify a maximum rent increase, may not allow for market-based or significant increases in rental payments during the term of the lease. If we do not accurately judge the potential for increases in market rental rates when negotiating these long-term leases, we may have no ability to terminate those leases or to adjust the rent to then-prevailing market rates. These circumstances could negatively impact our operating results and affect our ability to make distributions to you.

***Highly leveraged tenants may have a higher possibility of filing for bankruptcy or insolvency.***

Highly leveraged tenants that experience downturns in their operating results due to adverse changes to their business or economic conditions may have a higher possibility of filing for bankruptcy or insolvency. In bankruptcy or insolvency, a tenant may have the option of vacating a property instead of paying rent. Until such a property is released from bankruptcy, our revenues may be reduced and could cause us to reduce distributions to stockholders.

***We may incur costs to finish build-to-suit properties.***

With respect to our net-lease investments, we may acquire undeveloped land or partially developed buildings for the purpose of owning to-be-built facilities for a prospective tenant. The primary risks of a build-to-suit project are potential for failing to meet an agreed-upon delivery schedule and cost overruns, which may among other things, cause the total project costs to exceed the original budget. In some cases, the prospective tenant will bear these risks. However, in other instances we may be required to bear these risks, which means that we may have to advance funds to cover cost- overruns that we would not be able to recover through increased rent payments or that we may experience delays in the project that delay commencement of rent. We will attempt to minimize these risks through guaranteed maximum price contracts, review of contractor financials and completed plans and specifications prior to commencement of construction. The incurrence of the costs described above or any non-occupancy by the tenant upon completion may reduce the project's and our portfolio's returns or result in losses to us.

***Our operating results may be negatively affected by potential development and construction delays and resultant increased costs and risks.***

We may use proceeds from this offering to acquire properties upon which we will construct improvements. If we engage in development or construction projects, we will be subject to uncertainties associated with re-zoning for development, environmental concerns of governmental entities and/or community groups, and our builder's 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 completion of construction could also give tenants the right to terminate preconstruction



leases. We may incur additional risks if we make periodic progress payments or other advances to builders before they complete construction. These and other such factors can result in increased costs of a project or loss of our investment. 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 price at the time we acquire the property. If our projections are inaccurate, we may pay too much for a property, and our return on our investment could suffer.

***Lease agreements may have specific provisions that create risks to our business and may adversely affect us.***

Certain of our lease agreements may be regulated by local, municipal, state and federal laws, which may grant certain rights to tenants, such as the compulsory renewal of their lease by filing lease renewal actions when certain legal conditions are met. A lease renewal action may represent two principal risks for us: if we planned to vacate a given unit in order to change or adapt an asset's mix of tenants, the tenant could remain in that unit by filing a lease renewal action and interfere with our strategy; and if we desired to increase the lease price for a specific unit, this increase may need to be approved in the course of a lease renewal action, and the final value could be decided at the discretion of a judge. We would then be subject to the court's interpretation and decision, and could be forced to accept an even lower price for the lease of the unit. The compulsory renewal of our lease agreements and/or the judicial review of our lease prices may adversely affect our cash flow and our operating results.

Our lease agreements may not be "triple net leases," under which the lessee undertakes to pay all the expenses of maintaining the leased property, including insurance, taxes, utilities and repairs. We will be exposed to higher maintenance, taxes, and property management expenses with respect to all of our leases that are not "triple net."

***Environmentally hazardous conditions may adversely affect our operating results.***

Under various federal, state and local environmental laws, a current or previous owner or operator of property may be liable for the cost of removing or remediating hazardous or toxic substances on such property. 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. Even if more than one person may have been responsible for the contamination, each person covered by the environmental laws may be held responsible for all of the clean-up costs incurred. In addition, third parties may sue the owner or operator of a site for damages based on personal injury, natural resources or property damage or other costs, including investigation and clean-up costs, resulting from the environmental contamination. The presence of hazardous or toxic substances on one of our properties, or the failure to properly remediate a contaminated property, could give rise to a lien in favor of the government for costs it may incur to address the contamination, or otherwise adversely affect our ability to sell or lease the property or borrow using the property as collateral. Environmental laws also may impose restrictions on the manner in which property may be used or businesses may be operated. A property owner who violates environmental laws may be subject to sanctions which may be enforced by governmental agencies or, in certain circumstances, private parties. In connection with the acquisition and ownership of our properties, we may be exposed to such costs. The cost of defending against environmental claims, of compliance with environmental regulatory requirements or of remediating any contaminated property could materially adversely affect our business, assets or results of operations and, consequently, amounts available for distribution to our stockholders.

Environmental laws in the U.S. also require that owners or operators of buildings containing asbestos properly manage and maintain the asbestos, adequately inform or train those who may come into contact with asbestos and undertake special precautions, including removal or other abatement, in the event that asbestos is disturbed during building renovation or demolition. These laws may impose fines and penalties on building owners or operators who fail to comply with these requirements and may allow third parties to seek recovery from owners or operators for personal injury associated with exposure to asbestos. Some of our properties may contain asbestos-containing building materials.

We may invest in properties historically used for industrial, manufacturing and commercial purposes. Some of these properties may contain at the time of our investment, or may have contained prior to our investment,

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

From time to time, we may acquire properties, or interests in properties, with known adverse environmental conditions. In such an instance, we will underwrite the costs of environmental investigation, clean-up and monitoring into the cost. Further, in connection with property dispositions, we may agree to remain responsible for, and to bear the cost of, remediating or monitoring certain environmental conditions on the properties.

All of our properties will have been subject to a Phase I or similar environmental assessment by independent environmental consultants prior to or in connection with our acquisition of such properties. Phase I assessments are intended to discover and evaluate information regarding the environmental condition of the surveyed property and surrounding properties. Phase I assessments generally include a historical review, a public records review, an investigation of the surveyed site and surrounding properties, and preparation and issuance of a written report, but do not include soil sampling or subsurface investigations and typically do not include an asbestos survey. Nonetheless, an environmental liability that would have a material adverse effect on our business, financial condition or results of operations taken as a whole, may exist at the time of acquisition or may arise in the future, with respect to any properties that we acquire. Material environmental conditions, liabilities or compliance concerns may arise after an environmental assessment has been completed. Moreover, it is possible that (i) future laws, ordinances or regulations may impose a material environmental liability or (ii) the then current environmental condition of the properties that we acquire may be affected by tenants, by the condition of land or operations in the vicinity of such properties (such as releases from underground storage tanks), or by third parties unrelated to us.

***Costs of complying with environmental laws and regulations may adversely affect our income and the cash available for any distributions.***

All property and the operations conducted on property are subject to federal, state and local laws and regulations relating to environmental protection and human health and safety. Tenants' ability to operate and to generate income to pay their lease obligations may be affected by permitting and compliance obligations arising under such laws and regulations. Some of these laws and regulations may impose joint and several liability on tenants, owners or operators for the costs to investigate or remediate contaminated properties, regardless of fault or whether the acts causing the contamination were legal. Leasing properties to tenants that engage in industrial, manufacturing, and commercial activities will cause us to be subject to the risk of liabilities under environmental laws and regulations. In addition, the presence of hazardous or toxic substances, or the failure to properly remediate these substances, may adversely affect our ability to sell, rent or pledge such property as collateral for future borrowings.

Some of these laws and regulations have been amended so as to require compliance with new or more stringent standards as of future dates. Compliance with new or more stringent laws or regulations or stricter interpretation of existing laws may require us to incur material expenditures. Future laws, ordinances or regulations may impose material environmental liability. Additionally, our tenants' operations, the existing condition of land when we buy it, 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. In addition, there are various local, state and federal fire, health, life-safety and similar regulations with which we may be required to comply and which may subject us to liability in the form of fines or damages for noncompliance. Any material expenditures, fines or damages we must pay will reduce our ability to make distributions. In addition, changes in these laws and governmental regulations, or their interpretation by agencies or the courts, could occur.

***The costs associated with complying with the Americans with Disabilities Act may reduce the amount of cash available for distribution to you.***

Investment in properties may also be subject to the Americans with Disabilities Act of 1990, as amended. Under this act, all places of public accommodation are required to comply with federal requirements related to access and use by disabled persons. The act 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 act’s requirements could require us to remove access barriers and could result in the imposition of injunctive relief, monetary penalties or, in some cases, an award of damages. Any monies we use to comply with the act will reduce the amount of cash available for distribution to you.

***We may not have funding for future tenant improvements which may adversely affect the value of our assets, our results of operations and returns to you.***

If a tenant at one of our properties does not renew its lease or otherwise vacates its space in one of our buildings, it is likely that, in order to attract one or more new tenants, we will be required to expend substantial funds to construct new tenant improvements in the vacated space. Substantially all of the net proceeds from this offering will be used to acquire property, debt and other investments, and we do not anticipate that we will maintain permanent working capital reserves. We do not currently have an identified funding source to provide funds which may be required in the future for tenant improvements and tenant refurbishments in order to attract new tenants. If we do not establish sufficient reserves for working capital or obtain adequate secured financing to supply necessary funds for capital improvements or similar expenses, we may be required to defer necessary or desirable improvements to our properties. If we defer such improvements, the applicable properties may decline in value, and it may be more difficult for us to attract or retain tenants to such properties or the amount of rent we can charge at such properties may decrease. There can be no assurance that we will have any sources of funding available to us for repair or reconstruction of damaged property in the future.

***Our properties are subject to property and other taxes that may increase in the future, which could adversely affect our cash flow.***

The properties that we acquire will be subject to real and personal property and other taxes that may increase as tax rates change and as the properties are assessed or reassessed by taxing authorities. Certain of our leases may provide that the property taxes, or increases therein, are charged to the lessees as an expense related to the properties that they occupy while other leases will generally provide that we are responsible for such taxes. In any case, as the owner of the properties, we are ultimately responsible for payment of the taxes to the applicable governmental authorities. If property taxes increase, our tenants may be unable to make the required tax payments, ultimately requiring us to pay the taxes even if otherwise stated under the terms of the lease. If we fail to pay any such taxes, the applicable taxing authorities may place a lien on the property and the property may be subject to a tax sale. In addition, we will generally be responsible for property taxes related to any vacant space.

***We depend on the availability of public utilities and services, especially for water and electric power. Any reduction, interruption or cancellation of these services may adversely affect us.***

Public utilities, especially those that provide water and electric power, are fundamental for the sound operation of our assets. The delayed delivery or any material reduction or prolonged interruption of these services could allow certain tenants to terminate their leases or result in an increase in our costs, as we may be forced to use backup generators, which also could be insufficient to fully operate our facilities and could result in our inability to provide services. Accordingly, any interruption or limitation in the provision of these essential services may adversely affect us.

***Our operating expenses may increase in the future and to the extent such increases cannot be passed on to our tenants, our cash flow and our operating results would decrease.***

Operating expenses, such as expenses for property and other taxes, fuel, utilities, labor, building materials and insurance are not fixed and may increase in the future. Furthermore, we may not be able to pass these increases on to our tenants. To the extent such increases cannot be passed on to our tenants, any such increases would cause our cash flow and our operating results to decrease.

***Retail properties depend on anchor tenants to attract shoppers and could be adversely affected by the loss of a key anchor tenant.***

We may acquire retail properties in the future. Retail properties, like other properties, are subject to the risk that tenants may be unable to make their lease payments or may decline to extend a lease upon its expiration. A lease termination by a tenant that occupies a large area of a retail center (commonly referred to as an anchor tenant) could impact leases of other tenants. Other tenants may be entitled to modify the terms of their existing leases in the event of a lease termination by an anchor tenant, or the closure of the business of an anchor tenant that leaves its space vacant even if the anchor tenant continues to pay rent. Any such modifications or conditions could be unfavorable to us as the property owner and could decrease rents or expense recoveries. Additionally, major tenant closures may result in decreased customer traffic, which could lead to decreased sales at other stores. In the event of default by a tenant or anchor store, we may experience delays and costs in enforcing our rights as landlord to recover amounts due to us under the terms of our agreements with those parties.

***Our industrial tenants may be adversely affected by a decline in manufacturing activity in the United States.***

Fluctuations in manufacturing activity in the United States may adversely affect our industrial tenants and therefore the demand for and profitability of our industrial properties. Trade agreements with foreign countries have given employers the option to utilize less expensive foreign manufacturing workers. Outsourcing manufacturing activities could reduce the demand for U.S. workers, thereby reducing the profitability of our industrial tenants and the demand for and profitability of our industrial properties.

***Short-term multifamily community leases associated with any multifamily residential properties we acquire may expose us to the effects of declining market rent and could adversely impact our ability to make cash distributions to you.***

We expect that substantially all of our multifamily community leases will be on a short-term basis. Because these leases generally permit the residents to leave at the end of the lease term without penalty, our rental revenues may be impacted by declines in market rents more quickly than if our leases were for longer terms.

***The hospitality or leisure industry is seasonal.***

The hospitality or leisure industry is seasonal in nature. Seasonal slowdown is generally in the third quarter and, to a lesser extent, in the fourth quarter of each year. As a result of the seasonality of the hospitality or leisure industry, there will likely be quarterly fluctuations in results of operations of any hospitality or leisure properties that we may own. In addition, any such properties that we may own may be adversely affected by factors outside our control, such as extreme weather conditions or natural disasters, terrorist attacks or alerts, outbreaks of contagious diseases (including coronavirus), airline strikes, economic factors and other considerations affecting travel.

***The hospitality or leisure market is highly competitive and generally subject to greater volatility than our other market segments.***

The hospitality or leisure business is highly competitive and influenced by factors such as general and local economic conditions, location, room rates, quality, service levels, reputation and reservation systems, among many other factors. There are many competitors in this market, and these competitors may have substantially greater marketing and financial resources than those available to us. Competition also comes from non-traditional hospitality sources, such as home-sharing platforms. This competition, along with other factors, such as over-building in the hospitality or leisure industry and certain deterrents to traveling, may increase the number of rooms available and may decrease the average occupancy and room rates of our hospitality or leisure properties. The demand for rooms at any hospitality or leisure properties that we may acquire will change much more rapidly than the demand for space at other properties that we acquire. This volatility in room demand and occupancy rates could have a material adverse effect on our financial condition, results of operations and ability to pay distributions to stockholders.

***If we invest in student housing, our results of operations will be subject to risks inherent in the student housing industry, including a concentrated lease-up period, seasonal cash flows and a potential decrease in enrollment.***

Leases at off-campus properties typically require 12 monthly rental installments, whereas leases at residence hall properties typically correspond to the university's academic year and require ten monthly rental installments. As a result, we may experience significantly reduced cash flows during the summer months if we invest in residence hall properties. Furthermore, all of the student housing properties must be entirely re-leased each year during a limited leasing season.

In addition, if we invest in student housing, a decrease in enrollment at the universities at which such properties are located could adversely affect our financial results. University enrollment can be affected by a number of factors including, but not limited to, the current macroeconomic environment, students' ability to afford tuition and/or the availability of student loans, competition for international students, the impact of visa requirements for international students, higher demand for distance education, and budget constraints that could limit a University's ability to attract and retain students. If a University's enrollment were to significantly decline as a result of these or other factors, our ability to achieve our leasing targets and thus our properties' financial performance could be adversely affected.

***We face competition for the investments we make.***

In raising funds for investment, we face competition from other funds with similar investment objectives that seek to raise funds from investors through publicly registered, non-traded funds, publicly-traded funds and private funds. This competition, as well as any change in the attractiveness to investors of an investment in the types of assets to be held by us, relative to other types of investments, could adversely affect our ability to raise funds for future investments. We face competition for the acquisition of commercial real estate properties and real estate-related assets from insurance companies, credit companies, pension funds, private individuals, investment companies and other REITs. We also face competition from institutions that provide or arrange for other types of commercial financing through private or public offerings of equity or debt or traditional bank financings. These institutions may accept greater risk or lower returns, allowing them to offer more attractive terms to prospective tenants. In addition, our advisor's evaluation of the acceptability of rates of return on our behalf will be affected by our relative cost of capital. Thus, to the extent our fee structure and cost of fundraising is higher than our competitors, we may be limited in the amount of new acquisitions we are able to make.

*Valuations that we obtain may include leases in place on the property being appraised, and if the leases terminate, the value of the property may become significantly lower.*

The valuations that we obtain on our properties may be based on the value of the properties when the properties are leased. If the leases on the properties terminate, the value of the properties may fall significantly below the appraised value.

### **Risks Related to Our Commercial Real Estate Debt and Securities Investments**

*The commercial real estate debt we may originate and invest in and the commercial real estate loans underlying the commercial real estate securities we may invest in could be subject to delinquency, foreclosure and loss, which could result in losses to us.*

Commercial real estate loans are secured by commercial real estate and are subject to risks of delinquency, foreclosure, loss and bankruptcy of the borrower, all of which are and will continue to be prevalent if the overall economic environment does not continue to improve. The ability of a borrower to repay a loan secured by commercial real estate is typically dependent primarily upon the successful operation of such property rather than upon the existence of independent income or assets of the borrower. If the net operating income of the property is reduced or is not increased, depending on the borrower's business plan, the borrower's ability to repay the loan may be impaired. Net operating income of a property can be affected by, each of the following factors, among other things:

- macroeconomic and local economic conditions;
- tenant mix;
- success of tenant businesses;
- property management decisions;
- property location and condition;
- property operating costs, including insurance premiums, real estate taxes and maintenance costs;
- competition from comparable types of properties;
- effects on a particular industry applicable to the property, such as hotel vacancy rates;
- changes in governmental rules, regulations and fiscal policies, including environmental legislation;
- changes in laws that increase operating expenses or limit rents that may be charged;
- any need to address environmental contamination at the property;
- the occurrence of any uninsured casualty at the property;
- changes in national, regional or local economic conditions and/or specific industry segments;
- declines in regional or local real estate values;
- branding, marketing and operational strategies;
- declines in regional or local rental or occupancy rates;
- increases in interest rates;
- real estate tax rates and other operating expenses;
- acts of God;
- pandemics;
- social unrest and civil disturbances;



- terrorism; and
- increases in costs associated with renovation and/or construction.

Any one or a combination of these factors may cause a borrower to default on a loan or to declare bankruptcy. If a default or bankruptcy occurs and the underlying asset value is less than the loan amount, we will suffer a loss.

In the event of any default under a commercial real estate loan held directly by us, we will bear a risk of loss of principal or accrued interest to the extent of any deficiency between the value of the collateral and the principal and accrued interest of the commercial real estate loan, which could have a material adverse effect on our cash flow from operations. In the event of a default by a borrower on a non-recourse commercial real estate loan, we will only have recourse to the underlying asset (including any escrowed funds and reserves) collateralizing the commercial real estate loan. If a borrower defaults on one of our commercial real estate investments and the underlying property collateralizing the commercial real estate debt is insufficient to satisfy the outstanding balance of the debt, we may suffer a loss of principal or interest. In addition, even if we have recourse to a borrower's assets, we may not have full recourse to such assets in the event of a borrower bankruptcy as the loan to such borrower will be deemed to be secured only to the extent of the value of the mortgaged property at the time of bankruptcy (as determined by the bankruptcy court) and the lien securing the loan will be subject to the avoidance powers of the bankruptcy trustee or debtor-in-possession to the extent the lien is unenforceable under state law. We are also exposed to these risks through the commercial real estate loans underlying a commercial real estate security we hold may result in us not recovering a portion or all of our investment in such commercial real estate security.

***The B Notes in which we may invest may be subject to additional risks relating to the privately negotiated structure and terms of the transaction, which may result in losses to us.***

We may invest in B Notes. A B Note is a mortgage loan typically (i) secured by a first mortgage on a single large commercial property or group of related properties and (ii) subordinated to an A Note secured by the same first mortgage on the same collateral. As a result, if a borrower defaults, there may not be sufficient funds remaining for B Note holders after payment to the A Note holders. Since each transaction is privately negotiated, B Notes can vary in their structural characteristics and risks. For example, the rights of holders of B Notes to control the process following a borrower default may be limited in certain investments. We cannot predict the terms of each B Note investment. Further, B Notes typically are secured by a single property, and so reflect the increased risks associated with a single property compared to a pool of properties.

***The mezzanine loans which we may originate or in which we may invest would involve greater risks of loss than senior loans secured by the same properties.***

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

***Transitional mortgage loans may involve a greater risk of loss than conventional mortgage loans.***

We may provide transitional mortgage loans secured by mortgages on properties to borrowers who are typically seeking short-term capital to be used in an acquisition, development or refinancing of real estate. The borrower

may have identified an undervalued asset that has been undermanaged or is located in a recovering market. If the market in which the asset is located fails to recover according to the borrower's projections, or if the borrower fails to improve the quality of the asset's management or the value of the asset, the borrower may not receive a sufficient return on the asset to satisfy the transitional mortgage loan, and we may not recover some or all of our investment.

In addition, owners usually borrow funds under a conventional mortgage loan to repay a transitional mortgage loan. We may, therefore, be dependent on a borrower's ability to obtain permanent financing to repay our transitional mortgage loan, which could depend on market conditions and other factors. Transitional mortgage loans are also subject to risks of borrower defaults, bankruptcies, fraud, losses and special hazard losses that are not covered by standard hazard insurance. In the event of any default under transitional mortgage loans held by us, we bear the risk of loss of principal and nonpayment of interest and fees to the extent of any deficiency between the value of the mortgage collateral and the principal amount of the transitional mortgage loan. To the extent we suffer such losses with respect to our investments in transitional mortgage loans, the value of our company and of our common stock may be adversely affected.

***Investment in non-conforming and non-investment grade loans may involve increased risk of loss.***

Loans we may acquire or originate may not conform to conventional loan criteria applied by traditional lenders and may not be rated or may be rated as non-investment grade. Non-investment grade ratings for these loans typically result from the overall leverage of the loans, the lack of a strong operating history for the properties underlying the loans, the borrowers' credit history, the properties' underlying cash flow or other factors. As a result, non-conforming and non-investment grade loans we acquire or originate may have a higher risk of default and loss than conventional loans. Any loss we incur may reduce distributions to stockholders and adversely affect the value of our common stock.

***Our investments in subordinated loans and subordinated commercial mortgage-backed securities may be subject to losses.***

We may acquire or originate subordinated loans and may invest in subordinated commercial mortgage-backed securities. In the event a borrower defaults on a subordinated loan and lacks sufficient assets to satisfy our loan, we may suffer a loss of principal or interest. In the event a borrower declares bankruptcy, we may not have full recourse to the assets of the borrower, or the assets of the borrower may not be sufficient to satisfy the loan. If a borrower defaults on our loan or on debt senior to our loan, or in the event of a borrower bankruptcy, our loan will be satisfied only after the senior debt is paid in full. Where debt senior to our loan exists, the presence of intercreditor arrangements may limit our ability to amend our loan documents, assign our loans, accept prepayments, exercise our remedies (through "standstill periods"), and control decisions made in bankruptcy proceedings relating to borrowers.

In general, losses on a mortgage loan included in a securitization will be borne first by the equity holder of the property, then by a cash reserve fund or letter of credit, if any, and then by the "first loss" subordinated security holder. In the event of default and the exhaustion of any equity support, reserve fund, letter of credit and any classes of securities junior to those in which we invest, we may not be able to recover all of our investment in the securities we purchase. In addition, if the underlying mortgage portfolio has been overvalued by the originator, or if the values subsequently decline and, as a result, less collateral is available to satisfy interest and principal payments due on the related residential and commercial mortgage-backed securities, the securities in which we invest may effectively become the "first loss" position behind the more senior securities, which may result in significant losses to us.

***Construction loans involve a high risk of loss if we are unsuccessful in raising the unfunded portion of the loan or if a borrower otherwise fails to complete the construction of a project.***

We may invest in construction loans. If we are unsuccessful in raising the unfunded portion of a construction loan, there could be adverse consequences associated with the loan, including a loss of the value of the property

securing the loan if the construction is not completed and the borrower is unable to raise funds to complete it from other sources; a borrower claim against us for failure to perform under the loan documents; increased costs to the borrower that the borrower is unable to pay; a bankruptcy filing by the borrower; and abandonment by the borrower of the collateral for the loan. The occurrence of such events may have a negative impact on our results of operations. Other loan types may also include unfunded future obligations that could present similar risks.

***Risks of cost overruns and non-completion of the construction or renovation of the properties underlying loans we make or acquire may materially and adversely affect our investment.***

The renovation, refurbishment or expansion by a borrower under a mortgaged property involves risks of cost overruns and non-completion. Costs of construction or improvements to bring a property up to standards established for the market position intended for that property may exceed original estimates, possibly making a project uneconomical. Other risks may include environmental risks and the possibility of construction, rehabilitation and subsequent leasing of the property not being completed on schedule. If such construction or renovation is not completed in a timely manner, or if it costs more than expected, the borrower may experience a prolonged impairment of net operating income and may not be able to make payments on our investment.

***Investments that are not United States government insured involve risk of loss.***

We expect to originate and acquire uninsured loans and assets as part of our investment strategy. Such loans and assets may include mortgage loans and mezzanine loans. While holding such interests, we are subject to risks of borrower defaults, bankruptcies, fraud, losses and special hazard losses that are not covered by standard hazard insurance. In the event of any default under loans, we bear the risk of loss of principal and nonpayment of interest and fees to the extent of any deficiency between the value of the collateral and the principal amount of the loan. To the extent we suffer such losses with respect to our investments in such loans, the value of our company and the price of our common stock may be adversely affected.

***The quality of the commercial mortgage-backed securities is dependent on the credit quality and selection of the mortgages for each issuance.***

Commercial mortgage-backed securities are affected by the quality of the credit extended. As a result, the quality of the commercial mortgage-backed securities is dependent upon the selection of the commercial mortgages for each issuance and the cash flow generated by the commercial real estate assets, as well as the relative diversification of the collateral pool underlying such commercial mortgage-backed securities and other factors such as adverse selection within a particular tranche or issuance.

***There are certain risks associated with the servicers of commercial real estate loans underlying commercial mortgage-backed securities and other investments.***

The exercise of remedies and successful realization of liquidation proceeds relating to commercial real estate loans underlying commercial mortgage-backed securities and other investments may be highly dependent on the performance of the servicer or special servicer. The servicer may not be appropriately staffed or compensated to immediately address issues or concerns with the underlying loans. Such servicers may exit the business and need to be replaced, which could have a negative impact on the portfolio due to lack of focus during a transition. Special servicers frequently are affiliated with investors who have purchased the most subordinate bond classes, and certain servicing actions, such as a loan extension instead of forcing a borrower pay off, may benefit the subordinate bond classes more so than the senior bonds. While servicers are obligated to service the portfolio subject to a servicing standard and maximize the present value of the loans for all bond classes, servicers with an affiliate investment in the commercial mortgage-backed securities or other investments may have a conflict of interest. There may be a limited number of special servicers available, particularly those which do not have conflicts of interest. In addition, to the extent any such servicers fail to effectively perform their obligations pursuant to the applicable servicing agreements, such failure may adversely affect our investments.

***The commercial mortgage-backed securities in which we may invest are subject to the risks of the mortgage securities market as a whole and risks of the securitization process.***

The value of commercial mortgage-backed securities may change due to shifts in the market's perception of issuers and regulatory or tax changes adversely affecting the mortgage securities market as a whole. Commercial mortgage-backed securities are also subject to several risks created through the securitization process. Subordinate commercial mortgage-backed securities are paid interest only to the extent that there are funds available to make payments. To the extent the collateral pool includes delinquent loans, there is a risk that the interest payment on subordinate residential and commercial mortgage-backed securities will not be fully paid. Subordinate residential and commercial mortgage-backed securities are also subject to greater credit risk than those residential and commercial mortgage-backed securities that are more highly rated.

***Interest rate fluctuations could increase our financing costs and reduce our ability to generate income on our investments, either of which could lead to a significant decrease in our results of operations and cash flows and the market value of our investments.***

Our primary interest rate exposures will relate to the yield on our investments and the financing cost of our debt, as well as our interest rate swaps that we utilize for hedging purposes. In the later part of third quarter of 2022, market interest rates rose markedly and rapidly primarily as a result of the Federal Reserve's actions to curb rapidly rising inflation, which has led to a significant slowdown in real estate transactions and less capital available in the marketplace to finance real estate projects. Changes in interest rates will affect our net interest income, which is the difference between the interest income we earn on our interest-earning investments and the interest expense we incur in financing these investments. Interest rate fluctuations resulting in our interest expense exceeding interest income would result in operating losses for us. Changes in the level of interest rates also may affect our ability to invest in investments, the value of our investments and our ability to realize gains from the disposition of investments. Changes in interest rates may also affect borrower default rates.

To the extent that our financing costs will be determined by reference to floating rates, such as LIBOR or a Treasury index, plus a margin, the amount of such costs will depend on a variety of factors, including, without limitation, (a) for collateralized debt, the value and liquidity of the collateral, and for non-collateralized debt, our credit, (b) the level and movement of interest rates, and (c) general market conditions and liquidity. In a period of rising interest rates, our interest expense on floating rate debt would increase, while any additional interest income we earn on our floating rate investments may not compensate for such increase in interest expense. At the same time, the interest income we earn on our fixed-rate investments would not change, the duration and weighted average life of our fixed-rate investments would increase and the market value of our fixed-rate investments would decrease. Similarly, in a period of declining interest rates, our interest income on floating-rate investments would decrease, while any decrease in the interest we are charged on our floating-rate debt may not compensate for such decrease in interest income and interest we are charged on our fixed-rate debt would not change. Any such scenario could materially and adversely affect us. As of September 30, 2023, we are primarily exposed to rising interest rates through the floating rates on two loans and a revolving credit facility. We have mitigated this risk using hedging instruments on the two loans and reducing our balance on the revolving credit facility to \$25,000,000 from a peak of \$69,350,000 as of May 31, 2022.

Our operating results will depend, in part, on differences between the income earned on our investments, net of credit losses, and our financing costs. For any period during which our investments are not match-funded, the income earned on such investments may respond more slowly to interest rate fluctuations than the cost of our borrowings. Consequently, changes in interest rates, particularly short-term interest rates, may immediately and significantly decrease our results of operations and cash flows and the market value of our investments.

***The Phase-Out of LIBOR and Transition to an Alternative Benchmark Interest Rate Could Have Adverse Effects.***

The administrator of LIBOR ceased the publication of the one week and two month LIBOR settings immediately following the LIBOR publication on December 31, 2021, and ceased the publication of the remaining USD

*LIBOR* settings immediately following the *LIBOR* publication on June 30, 2023. The Alternative Reference Rate Committee has identified the Secured Overnight Financing Rate (“SOFR”) as the preferred alternative to *LIBOR*. SOFR is a broad measure of the cost of borrowing cash overnight collateralized by U.S. Treasury securities, published by the Federal Reserve Bank of New York. It is expected that new contracts will use SOFR or other alternative reference rates instead of *LIBOR*. Due to the broad use of *LIBOR* as a reference rate, all financial market participants, including us, are impacted by the risks associated with this transition and therefore it could adversely affect our operations and cash flows, although we have amended our Citizens Credit Facility and other loan agreements to reference SOFR.

***Prepayments can adversely affect the yields on our investments.***

In the case of residential mortgage loans, there are seldom any restrictions on borrowers’ abilities to prepay their loans. Homeowners tend to prepay mortgage loans faster when interest rates decline. Consequently, owners of the loans may reinvest the money received from the prepayments at the lower prevailing interest rates. Conversely, homeowners tend not to prepay mortgage loans when interest rates increase. Consequently, owners of the loans are unable to reinvest money that would have otherwise been received from prepayments at the higher prevailing interest rates. This volatility in prepayment rates may affect our ability to maintain targeted amounts of leverage to the extent that we have a portfolio of residential mortgage-backed security (“RMBS”) and may result in reduced earnings or losses for us and negatively affect the cash available for distribution to our stockholders.

The yield of our other assets may be affected by the rate of prepayments. Prepayments on debt instruments, where permitted under the debt documents, are influenced by changes in current interest rates and a variety of economic, geographic and other factors beyond our control, and consequently, such prepayment rates cannot be predicted with certainty. If we are unable to invest the proceeds of any prepayments we receive in assets with at least an equivalent yield, the yield on our portfolio will decline. In addition, we may acquire assets at a discount or premium and if the asset does not repay when expected, our anticipated yield may be impacted. Under certain interest rate and prepayment scenarios we may fail to recoup fully our cost of acquisition of certain investments.

***If credit spreads widen before we obtain long-term financing for our assets, the value of our assets may suffer.***

We will price our assets based on our assumptions about future credit spreads for financing of those assets. We expect to obtain longer-term financing for our assets using structured financing techniques in the future. In such financings, interest rates are typically set at a spread over a certain benchmark, such as the yield on United States Treasury obligations, swaps, or LIBOR. If the spread that borrowers will pay over the benchmark widens and the rates we charge on our assets to be securitized are not increased accordingly, our income may be reduced or we may suffer losses.

***Our investments in debt securities and preferred and common equity securities will be subject to the specific risks relating to the particular issuer of the securities and may involve greater risk of loss than secured debt financings.***

Our investments in debt securities and preferred and common equity securities will involve special risks relating to the particular issuer of the securities, including the financial condition and business outlook of the issuer. Issuers that are REITs and other real estate companies are subject to the inherent risks associated with real estate and real estate-related investments discussed in this prospectus. Issuers that are debt finance companies are subject to the inherent risks associated with structured financing investments also discussed in this prospectus. Furthermore, debt securities and preferred and common equity securities may involve greater risk of loss than secured debt financings due to a variety of factors, including that such investments are generally unsecured and may also be subordinated to other obligations of the issuer. As a result, investments in debt securities and preferred and common equity securities are 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 senior claims of banks and other lenders to the issuer, (iv) the operation of mandatory sinking fund or call/redemption provisions during periods of declining interest rates that could cause the issuer to reinvest redemption proceeds in lower yielding assets, (v) the possibility that earnings of the issuer may be insufficient to meet its debt service and distribution obligations and (vi) the declining creditworthiness and potential for insolvency of the issuer during periods of rising interest rates and economic downturn. These risks may adversely affect the value of outstanding debt securities and preferred and common equity securities and the ability of the issuers thereof to make principal, interest and/or distribution payments to us.

***Our dependence on the management of other entities in which we invest may adversely affect our business.***

We will not control the management, investment decisions or operations of the companies in which we may invest. Management of those enterprises may decide to change the nature of their assets, or management may otherwise change in a manner that is not satisfactory to us (including actions or investments that are incompatible with our qualification as a REIT or other tax objectives). We will have no ability to affect these management decisions and we may have only limited ability to dispose of our investments.

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

Certain of the securities that we may purchase in connection with privately negotiated transactions will not be registered under the relevant securities laws, resulting in a prohibition against their transfer, sale, pledge or other disposition except in a transaction that is exempt from the registration requirements of, or is otherwise in accordance with, those laws. Some of the residential and commercial mortgage-backed securities that we may purchase may be traded in private, unregistered transactions and are therefore subject to restrictions on resale or otherwise have no established trading market. The mezzanine loans we may purchase will be particularly illiquid investments due to their short life, their unsuitability for securitization and the greater difficulty of recoupment in the event of a borrower's default. As a result, our ability to vary our portfolio in response to changes in economic and other conditions may be relatively limited.

***Some of our investments will be carried at an estimated fair value and we will be required to disclose the fair value of other investments monthly. The estimated fair value will be determined by our advisor and, as a result, there may be uncertainty as to the value of these investments.***

Some of our investments will be in the form of securities that are recorded at fair value but that have limited liquidity or are not publicly traded. In addition, we must disclose the fair value of our investments in loans each quarter. Such estimates are inherently uncertain. The fair value of securities and other investments, including loans that have limited liquidity or are not publicly traded, may not be readily determinable. We will estimate the fair value of these investments on a monthly 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 stock 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.

***Our due diligence may not reveal all of a borrower's liabilities and may not reveal other weaknesses in its business.***

Before making a loan to a borrower or acquiring debt or equity securities of a company, we will assess the strength and skills of such entity's management and other factors that we believe are material to the performance of the investment. In making the assessment and otherwise conducting customary due diligence, we will rely on the resources available to us and, in some cases, an investigation by third parties. This process is particularly important and subjective with respect to newly organized or private entities because there may be little or no information publicly available about the entities. There can be no assurance that our due diligence processes will uncover all relevant facts or that any investment will be successful.



***We may depend on debtors for our revenue, and, accordingly, our revenue and our ability to make distributions to you will be dependent upon the success and economic viability of such debtors.***

The success of our investments in debt secured by commercial real estate materially depend on the financial stability of the debtors underlying such investments. The inability of a single major debtor or a number of smaller debtors to meet their payment obligations could result in reduced revenue or losses.

***Delays in restructuring or liquidating non-performing debt-related securities could reduce the return on your investment.***

Debt-related securities may become non-performing after acquisition for a wide variety of reasons. In addition, we may acquire non-performing debt-related investments. Such non-performing debt-related investments may require a substantial amount of workout negotiations and/or restructuring, which may entail, among other things, a substantial reduction in the interest rate and a substantial write-down of such loan or asset. However, even if a restructuring is successfully accomplished, upon maturity of such debt-related security, the borrower under the security may not be able to negotiate replacement “takeout” financing to repay the principal amount of the securities owed to us. We may find it necessary or desirable to foreclose on some of the collateral securing one or more of our investments. Intercreditor provisions may substantially interfere with our ability to do so. Even if foreclosure is an option, the foreclosure process can be lengthy and expensive as discussed above.

***If we foreclose on the collateral that will secure our investments in loans receivable, we may incur significant liabilities for deferred repairs and maintenance, property taxes and other expenses, which would reduce cash available for distribution to stockholders.***

Some of the properties we may acquire in foreclosure proceedings may face competition from newer, more updated properties. In addition, the overall condition of these properties may have been neglected prior to the time we would foreclose on them. In order to remain competitive, increase occupancy at these properties and/or make them more attractive to potential tenants and purchasers, we may have to make significant capital improvements and/or incur deferred maintenance costs with respect to these properties. Also, if we acquire properties through foreclosure, we will be responsible for property taxes and other expenses which will require more capital resources than if we held a secured interest in these properties. To the extent we have to make significant capital expenditures with respect to these properties, we will have less cash available to fund distributions and investor returns may be reduced.

***Failure to obtain or maintain required approvals and/or state licenses necessary to operate our mortgage-related activities may adversely impact our investment strategy.***

We may in the future be required to obtain various other approvals and/or licenses from federal or state governmental authorities, government sponsored entities or similar bodies in connection with some or all of our mortgage-related activities. There is no assurance that we can obtain any or all of the approvals and licenses that we desire or that we will avoid experiencing significant delays in seeking such approvals and licenses. Furthermore, we will be subject to various disclosures and other requirements to obtain and maintain these approvals and licenses, and there is no assurance that we will satisfy those requirements. Our failure to obtain or maintain licenses will restrict our options and ability to engage in desired activities, and could subject us to fines, suspensions, terminations and various other adverse actions if it is determined that we have engaged without the requisite approvals or licenses in activities that require an approval or license, which could have a material and adverse effect on our business, results of operations, financial condition and prospects.

## **Risks Related to Our Financing Strategy**

***We will incur debt to finance our operations, which may subject us to an increased risk of loss.***

We will continue to incur debt to finance our operations. The leverage we employ will vary depending on our ability to obtain credit facilities, the loan-to-value and debt service coverage ratios of our assets, the yield on our

assets, the targeted leveraged return we expect from our investment portfolio and our ability to meet ongoing covenants related to our asset mix and financial performance. Our return on our investments and cash available for distribution to our stockholders may be reduced to the extent that changes in market conditions cause the cost of our financing to increase relative to the income that we can derive from the assets we acquire.

Debt service payments will reduce the net income available for distributions to our stockholders. Moreover, we may not be able to meet our debt service obligations and, to the extent that we cannot, we risk the loss of some or all of our assets to foreclosure or sale to satisfy our debt obligations. Our charter or bylaws do not restrict the form of indebtedness we may incur.

***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 stockholders.***

We may enter into interest rate swap agreements or pursue other interest rate hedging strategies. Our hedging activity 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;
- the amount of income that a REIT may earn from hedging transactions to offset interest rate losses is limited by federal tax provisions governing REITs;
- 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 stockholders. 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 accounting treatment and may expose us to risk of loss.

***Hedging instruments often are not traded on regulated exchanges, guaranteed by an exchange or its clearing house, or regulated by any U.S. or foreign governmental authorities and involve risks and costs.***

The cost of using hedging instruments increases as the period covered by the instrument increases and during periods of rising and volatile interest rates. We may increase our hedging activity and thus increase our hedging costs during periods when interest rates are volatile or rising and hedging costs have increased. In addition, hedging instruments involve risk since they often are not traded on regulated exchanges, guaranteed by an exchange or its clearing house, or regulated by any U.S. or foreign governmental authorities. Consequently, there are no requirements with respect to record keeping, financial responsibility or segregation of customer funds and positions. Furthermore, the enforceability of agreements underlying derivative transactions may depend on

compliance with applicable statutory, commodity and other regulatory requirements and, depending on the identity of the counterparty, applicable international requirements. The business failure of a hedging counterparty with whom we enter into a hedging transaction will most likely result in a default. Default by a party with whom we enter into a hedging transaction may result in the loss of unrealized profits and force us to cover our resale commitments, if any, at the then current market price. Although generally we will seek to reserve the right to terminate our hedging positions, it may not always be possible to dispose of or close out a hedging position without the consent of the hedging counterparty, and we may not be able to enter into an offsetting contract in order to cover our risk. We cannot be certain that a liquid secondary market will exist for hedging instruments purchased or sold, and we may be required to maintain a position until exercise or expiration, which could result in losses.

***Changes in laws or regulations governing our operations, changes in the interpretation thereof or newly enacted laws or regulations and any failure by us to comply with these laws or regulations, could require changes to certain of our business practices, negatively impact our operations, cash flow or financial condition, impose additional costs on us, subject us to increased competition or otherwise adversely affect our business.***

The laws and regulations governing our operations, as well as their interpretation, may change from time to time, and new laws and regulations may be enacted. Accordingly, any change in these laws or regulations, changes in their interpretation, or newly enacted laws or regulations and any failure by us to comply with these laws or regulations, could require changes to certain of our business practices, negatively impact our operations, cash flow or financial condition, impose additional costs on us or otherwise adversely affect our business. Furthermore, if regulatory capital requirements-whether under the Dodd-Frank Act, Basel III (i.e., the framework for a comprehensive set of capital and liquidity standards for internationally active banking organizations, which was adopted in June 2011 by the Basel Committee on Banking Supervision, an international body comprised of senior representatives of bank supervisory authorities and central banks from 27 countries, including the United States) or other regulatory action-are imposed on private lenders that provide us with funds, or were to be imposed on us, they or we may be required to limit, or increase the cost of, financing they provide to us or that we provide to others. Among other things, this could potentially increase our financing costs, reduce our ability to originate or acquire loans and reduce our liquidity or require us to sell assets at an inopportune time or price.

Various laws and regulations currently exist that restrict the investment activities of banks and certain other financial institutions but do not apply to us, which we believe creates opportunities for us to participate in certain investments that are not available to these more regulated institutions. Any deregulation of the financial industry, including by amending the Dodd-Frank Act, may decrease the restrictions on banks and other financial institutions and would create more competition for investment opportunities that were previously not available to the financial industry. For example, in 2018, a bill was signed into law that eased the regulation and oversight of certain banks under the Dodd-Frank Act. Over the last several years, there also has been an increase in regulatory attention to the extension of credit outside of the traditional banking sector, raising the possibility that some portion of the non-bank financial sector will be subject to new regulation. While it cannot be known at this time whether any regulation will be implemented or what form it will take, increased regulation of non-bank credit extension could negatively impact our operations, cash flows or financial condition, impose additional costs on us, intensify the regulatory supervision of us or otherwise adversely affect our business.

***Our use of borrowings to partially fund acquisitions and improvements on properties could result in foreclosures and unexpected debt service expenses upon refinancing, both of which could have an adverse impact on our operations and cash flow.***

We have and intend to continue to rely in part on borrowings under credit facilities and other external sources of financing to fund the costs of new investments, capital expenditures and other items. Accordingly, we are subject to the risks that our cash flow will not be sufficient to cover required debt service payments and that we will be unable to meet other covenants or requirements of our borrowings.

If we cannot meet our required obligations under our borrowings, our property or commercial real estate debt and securities could be foreclosed upon by, or otherwise transferred to, our lender, with a consequent loss of income and asset value to us. Additionally, we may be required to refinance our debt subject to “lump sum” or “balloon” payment maturities on terms less favorable than the original loan or at a time we would otherwise prefer to not refinance such debt. A refinancing on such terms or at such times could increase our debt service payments, which would decrease the amount of cash we would have available for operations, new investments and distribution payments and may cause us to determine to sell one or more investments at a time when we would not otherwise do so.

***We have broad authority to incur borrowings and high levels of borrowings could hinder our ability to make distributions and could decrease the value of your investment.***

We expect that in most instances, we will make real estate investments by using either existing or new borrowings. In addition, we may incur mortgage notes and pledge all or some of our real estate investments as security for that debt to obtain funds to acquire additional real estate investments. We may borrow if we need funds to satisfy the REIT tax qualification requirement that we distribute at least 90% of our annual REIT taxable income to our stockholders. We also may borrow if we otherwise deem it necessary or advisable to assure that we maintain our qualification as a REIT.

Our charter does not limit us from utilizing financing until our borrowings exceed 300% of our net assets, which is generally expected to approximate 75% of the aggregate cost of our real estate investments and other assets, plus cash, before deducting loan loss reserves, other non-cash reserves and depreciation. Further, we can incur financings in excess of this limitation with the approval of a majority of our independent directors. High leverage levels could cause us to incur higher interest charges and higher debt service payments and the agreements governing our borrowings may also include restrictive covenants. These factors could limit the amount of cash we have available to distribute to you or invest in our business and could result in a decline in the value of your investment.

If there is a shortfall between the revenues from our real estate investments and the cash flow needed to service our borrowings, then the amount available for distributions to stockholders may be reduced. In addition, incurring mortgage debt increases the risk of loss since defaults on indebtedness secured by a property may result in lenders initiating foreclosure actions. In that case, we could lose the investment securing our borrowings that is in default, thus reducing the value of your investment. We may give full or partial guarantees to lenders of our borrowings to the entities that own our investments. When we provide a guaranty on behalf of an entity that owns one of our investments, we will be responsible to the lender for satisfaction of the debt if it is not paid by such entity. If any mortgages contain cross-collateralization or cross-default provisions, a default on a single investment could affect multiple investments. If any of our investments are foreclosed upon due to a default, our ability to pay cash distributions to our stockholders will be adversely affected which could result in our losing our REIT status and would result in a decrease in the value of your investment. As of September 30, 2023, our debt to tangible assets ratio was 49%.

***Lenders may require us to enter into restrictive covenants relating to our operations, which could limit our ability to make distributions to you.***

When providing financing, a lender may impose restrictions on us that affect our distribution and operating policies and our ability to incur additional borrowings. Financing agreements that we may enter into may contain covenants that limit our ability to further incur borrowings, restrict distributions to you or that prohibit us from continuing insurance coverage or replacing our advisor. These or other limitations would decrease our operating flexibility and our ability to achieve our operating objectives, including making distributions to you.

***We may not be able to access financing sources on attractive terms, if at all, which could adversely affect our ability to execute our business plan.***

We will require significant outside capital to fund and grow our business. Our business may be adversely affected by disruptions in the debt and equity capital markets and institutional lending market, including the lack of access to capital or prohibitively high costs of obtaining or replacing capital. A primary source of liquidity for companies in the real estate industry has been and will continue to be the debt and equity capital markets. Access to the capital markets and other sources of liquidity was severely disrupted during the credit crisis and, despite recent improvements, the markets could suffer another severe downturn and another liquidity crisis could emerge. Based on the current conditions, we do not know whether any sources of capital will be available to us in the future on terms that are acceptable to us, if at all. If we cannot obtain sufficient debt and equity capital on acceptable terms, our business and our ability to operate could be severely impacted.

***Increases in interest rates could increase the amount of our payments on our borrowings and adversely affect our ability to pay distributions to our stockholders.***

We expect that we will incur borrowings in the future. To the extent that we incur variable rate borrowings, increases in interest rates would increase our interest costs, which could reduce our cash flow and our ability to pay distributions to you. In addition, if we need to repay existing borrowings during periods of rising interest rates, we could be required to liquidate one or more of our investments at times that may not permit realization of the maximum return on such investments.

#### **Federal Income Tax Risks**

***If we fail to qualify as a REIT, our operations and our ability to pay distributions to our stockholders would be adversely impacted.***

We have elected to be taxed as a REIT for U.S. federal income tax purposes commencing with the taxable year ended on December 31, 2017 and intend to operate in a manner that will allow us to continue to qualify as a REIT. Our qualification as a REIT depends on our satisfaction of numerous requirements (some on an annual and quarterly basis) established under highly technical and complex provisions of the Code, for which there are only limited judicial or administrative interpretations, and involves the determination of various factual matters and circumstances not entirely within our control. The complexity of these provisions and of the applicable income tax regulations that have been promulgated under the Code is greater in the case of a REIT that holds its assets through a partnership, as we do. Moreover, no assurance can be given that legislation, new regulations, administrative interpretations or court decisions will not change the tax laws with respect to qualification as a REIT or the U.S. federal income tax consequences of that qualification.

If we were to fail to qualify as a REIT in any taxable year:

- we would not be allowed to deduct our distributions to our stockholders when computing our taxable income;
- we would be subject to federal income tax on our taxable income at regular corporate rates;
- we would be disqualified from being taxed as a REIT for the four taxable years following the year during which qualification was lost, unless entitled to relief under certain statutory provisions;
- our cash available for distribution would be reduced because we would be subject to entity level income taxes and we would have less cash to distribute to our stockholders; and
- we might be required to borrow additional funds or sell some of our assets in order to pay corporate tax obligations that we may incur as a result of our disqualification.

See “Federal Income Tax Considerations—Taxation of Cantor Fitzgerald Income Trust, Inc.”



***You may have current tax liability on distributions you elect to reinvest in our common stock.***

If you participate in our distribution reinvestment plan, you will be deemed to have received, and for income tax purposes will be taxed on, the amount reinvested in shares of our common stock to the extent the amount reinvested was not a tax-free return of capital. In addition, you will be treated for tax purposes as having received an additional distribution to the extent the shares are purchased at a discount to fair market value, if any. As a result, unless you are a tax-exempt entity, you may have to use funds from other sources to pay your tax liability on the value of the shares of common stock received. See “Description of Shares—Distribution Reinvestment Plan—Tax Consequences of Participation.”

***Even if we qualify as a REIT for federal income tax purposes, we may be subject to other tax liabilities that reduce our cash flow and our ability to make distributions to you.***

Even if we qualify as a REIT for federal income tax purposes, we may be subject to some federal, state and local taxes on our income or property. For example:

- In order to qualify as a REIT, we must distribute annually at least 90% of our REIT taxable income to our stockholders (which is determined without regard to the dividends paid deduction or net capital gain). To the extent that we satisfy the distribution requirement but distribute less than 100% of our REIT taxable income, we will be subject to federal corporate income tax on the undistributed income.
- We will be subject to a 4% nondeductible excise tax on the amount, if any, by which distributions we pay 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.
- If we elect to treat property that we acquire in connection with a foreclosure of a mortgage loan or certain leasehold terminations as “foreclosure property,” we may avoid the 100% tax on the gain from a resale of that property but the income from the sale or operation of that property may be subject to corporate income tax at the highest applicable rate.
- If we sell an asset, other than foreclosure property, that we hold primarily for sale to customers in the ordinary course of business, our gain would be subject to the 100% “prohibited transaction” tax unless such sale were made by one of our taxable REIT subsidiaries.
- If we engage in activity and generate income through one or more taxable REIT subsidiaries, such subsidiaries will be subject to corporate income tax on their income.

***Our investments in debt instruments may cause us to recognize taxable income in excess of cash received with respect to the debt instruments.***

It is expected that we may acquire debt instruments in the secondary market for less than their face amount. The amount of such discount will generally be treated as “market discount” for federal income tax purposes. We may acquire distressed debt investments that are subsequently modified by agreement with the borrower. If the amendments to the outstanding debt are “significant modifications” under the applicable Treasury regulations, the modified debt may be considered to have been reissued to us in a debt-for-debt exchange with the borrower. This deemed reissuance may prevent the modified debt from qualifying as a good REIT asset if the underlying security has declined in value, and could cause us to recognize taxable income in excess of cash received related to that income.

In general, we will be required to accrue any original issue discount on a debt instrument as taxable income in accordance with applicable federal income tax rules prior to the receipt of cash payments of interest on such debt instrument.

In the event a borrower with respect to a particular debt instrument encounters financial difficulty rendering it unable to pay stated interest as due, we may nonetheless be required to continue to recognize the unpaid interest as taxable income. Similarly, we may be required to accrue interest income with respect to subordinate residential and commercial mortgage-backed securities at the stated rate regardless of when their corresponding cash payments are received.



As a result of these factors, there is a significant risk that we may recognize substantial taxable income in excess of cash available for distribution. In that event, we may need to borrow funds or take other action to satisfy the REIT distribution requirements for the taxable year in which we recognize taxable income in excess of cash received related to that income.

***REIT distribution requirements could adversely affect our ability to execute our business plan.***

We generally must distribute annually at least 90% of our REIT taxable income, subject to certain adjustments and excluding any net capital gain, in order to qualify for taxation as a REIT and thus for federal corporate income tax not to apply to earnings that we distribute. To the extent that we satisfy this distribution requirement, but distribute less than 100% of our REIT taxable income, we will be subject to federal corporate income tax on our undistributed REIT taxable income. In addition, we will be subject to a 4% nondeductible excise tax if the actual amount that we pay out to our stockholders in a calendar year is less than a minimum amount specified under federal tax laws. We intend to make distributions to our stockholders to comply with the REIT requirements of the Internal Revenue Code.

From time to time, we may generate taxable income greater than our taxable income for financial reporting purposes, or our taxable income may be greater than our cash flow available for distribution to stockholders (for example, where a borrower defers the payment of interest in cash pursuant to a contractual right or otherwise).

If we do not have other funds available in these situations we could be required to borrow funds, sell investments at disadvantageous prices or find another alternative source of funds to make distributions sufficient to enable us to pay out enough of our taxable income to satisfy the REIT distribution requirements and to avoid corporate income tax and the 4% excise tax in a particular year. These alternatives could increase our costs or reduce our equity. Thus, compliance with the REIT requirements may hinder our ability to operate solely on the basis of maximizing profits.

***To maintain our REIT status, we may be forced to forego otherwise attractive business or investment opportunities, which may delay or hinder our ability to meet our investment objectives and reduce your overall return.***

To qualify as a REIT, we must satisfy certain tests on an ongoing basis concerning, among other things, the sources of our income, nature of our assets and the amounts we distribute to our stockholders. We may be required to make distributions to stockholders at times when it would be more advantageous to reinvest cash in our business or when we do not have funds readily available for distribution. Compliance with the REIT requirements may hinder our ability to operate solely on the basis of maximizing profits and the value of your investment.

***Potential characterization of distributions or gain on sale may be treated as unrelated business taxable income to tax-exempt investors.***

If (i) all or a portion of our assets are subject to the rules relating to taxable mortgage pools, (ii) we are a “pension-held REIT,” (iii) a tax-exempt stockholder has incurred debt to purchase or hold our common stock, or (iv) any residual Real Estate Mortgage Investment Conduit interests, or REMICs, that we buy generate “excess inclusion income,” then in such cases a portion of the distributions to and, in the case of a stockholder described in clause (iii), gains realized on the sale of common stock by such tax-exempt stockholder may be subject to federal income tax as unrelated business taxable income under the Internal Revenue Code. See “Federal Income Tax Considerations—Taxation of Cantor Fitzgerald Income Trust, Inc.—Taxable Mortgage Pools and Excess Inclusion Income.”

***The “taxable mortgage pool” rules may increase the taxes that we or our stockholders incur and may limit the manner in which we conduct securitizations or financing arrangements.***

We may be deemed to be ourselves or make investments in entities that own or are themselves deemed to be taxable mortgage pools. As a REIT, provided that we own 100% of the equity interests in a taxable mortgage pool, we generally would not be adversely affected by the characterization of the securitization as a taxable mortgage pool. Certain categories of stockholders, however, such as foreign stockholders eligible for treaty or other benefits, stockholders with net operating losses, and certain tax-exempt stockholders that are subject to unrelated business income tax, could be subject to increased taxes on a portion of their dividend income from us that is attributable to the taxable mortgage pool. In addition, to the extent that our stock is owned by tax-exempt “disqualified organizations,” such as certain government-related entities that are not subject to tax on unrelated business income, we may incur a corporate-level tax on a portion of our income from the taxable mortgage pool. In that case, we are authorized to reduce and would reduce the amount of our distributions to any disqualified organization whose stock ownership gave rise to the tax by the amount of such tax paid by us that is attributable to such stockholder’s ownership.

Similarly, certain of our securitizations or other borrowings could be considered to result in the creation of a taxable mortgage pool for federal income tax purposes. We intend to structure any securitization and financing arrangements as to not create a taxable mortgage pool. However, if we have borrowings with two or more maturities and (i) those borrowings are secured by mortgages or residential or commercial mortgage-backed securities and (ii) the payments made on the borrowings are considered to bear a relationship to the payments received on the underlying mortgage assets, then the borrowings and the pool of mortgages or residential or commercial mortgage-backed securities to which such borrowings relate may be classified as a taxable mortgage pool under the Internal Revenue Code. If any part of our investments were to be treated as a taxable mortgage pool, then our REIT status would not be impaired, provided we own 100% of such entity, but a portion of the taxable income we recognize may be characterized as “excess inclusion” income and allocated among our stockholders to the extent of and generally in proportion to the distributions we make to each stockholder. Any excess inclusion income would:

- not be allowed to be offset by a stockholder’s net operating losses;
- be subject to a tax as unrelated business income if a stockholder were a tax-exempt stockholder;
- be subject to the application of federal income tax withholding at the maximum rate (without reduction for any otherwise applicable income tax treaty) with respect to amounts allocable to foreign stockholders; and
- be taxable (at the highest corporate tax rate) to us, rather than to you, to the extent the excess inclusion income relates to stock held by disqualified organizations (generally, tax-exempt companies not subject to tax on unrelated business income, including governmental organizations).

If we are deemed to hold less than 100% of the equity interests in a taxable mortgage pool, including any such interests held through the Operating Partnership or through any other entity that is classified as a partnership for federal income tax purposes, the taxable mortgage pool in such case will be treated as a corporation for federal income tax purposes, and its income from U.S. sources will be subject to corporate income tax. In addition, such characterization of the taxable mortgage pool would change the nature of our assets and income, and might adversely affect our ability to qualify for taxation as a REIT.

***The failure of a mezzanine loan to qualify as a real estate asset could adversely affect our ability to qualify as a REIT.***

The Internal Revenue Service has issued Revenue Procedure 2003-65, which provides a safe harbor pursuant to which a mezzanine loan that is secured by interests in a pass-through entity will be treated by the Internal Revenue Service as a real estate asset for purposes of the REIT tests, and interest derived from such loan will be

treated as qualifying mortgage interest for purposes of the REIT 75% income test. Although the Revenue Procedure provides a safe harbor on which taxpayers may rely, it does not prescribe rules of substantive tax law. We intend to make investments in loans secured by interests in pass-through entities in a manner that complies with the various requirements applicable to our qualification as a REIT. To the extent, however, that any such loans do not satisfy all of the requirements for reliance on the safe harbor set forth in the Revenue Procedure, there can be no assurance that the Internal Revenue Service will not challenge the tax treatment of such loans, which could jeopardize our ability to qualify as a REIT.

***The tax on prohibited transactions will limit our ability to engage in transactions, including certain methods of securitizing mortgage loans, that would be treated as sales for federal income tax purposes.***

A REIT's net income from prohibited transactions is subject to a 100% tax. In general, prohibited transactions are sales or other dispositions of assets, other than foreclosure property, deemed held primarily for sale to customers in the ordinary course of business. We might be subject to this tax if we were to dispose of or securitize loans in a manner that was treated as a sale of the loans for federal income tax purposes. Therefore, in order to avoid the prohibited transactions tax, we may choose not to engage in certain sales of loans at the REIT level, and may limit the structures we utilize for our securitization transactions, even though the sales or structures might otherwise be beneficial to us.

It may be possible to reduce the impact of the prohibited transaction tax by conducting certain activities through taxable REIT subsidiaries. However, to the extent that we engage in such activities through taxable REIT subsidiaries, the income associated with such activities may be subject to full corporate income tax.

***Complying with REIT requirements may force us to liquidate otherwise attractive investments.***

To qualify as a REIT, we must ensure that at the end of each calendar quarter, at least 75% of the value of our assets consists of cash, cash items, government securities and qualified REIT real estate assets, including certain mortgage loans and residential and commercial mortgage-backed securities. The remainder of our investment in securities (other than government securities 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 assets (other than government securities and qualified real estate assets) can consist of the securities of any one issuer, no more than 20% of the value of our total assets can be represented by securities of one or more taxable REIT subsidiaries, and no more than 25% of our assets may consist of publicly offered REIT debt instruments that do not otherwise qualify under the 75% asset test. See "Federal Income Tax Considerations—Taxation of Cantor Fitzgerald Income Trust, Inc." If we fail to comply with these requirements at the end of any 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 and suffering adverse tax consequences. As a result, we may be required to liquidate from our portfolio otherwise attractive investments. These actions could have the effect of reducing our income and amounts available for distribution to our stockholders.

***Liquidation of assets may jeopardize our REIT qualification.***

To qualify as a REIT, we must comply with requirements regarding our assets and our sources of income. If we are compelled to liquidate our investments to repay obligations to our lenders, we may be unable to comply with these requirements, ultimately jeopardizing our qualification as a REIT, or we may be subject to a 100% tax on any resultant gain if we sell assets that are treated as dealer property or inventory.

***Characterization of any repurchase agreements that we enter into to finance our investments as sales for tax purposes rather than as secured lending transactions could adversely affect our ability to qualify as a REIT.***

We may enter into repurchase agreements with a variety of counterparties to achieve our desired amount of leverage for the assets in which we invest. When we enter into a repurchase agreement, we generally sell assets

to our counterparty to the agreement and receive cash from the counterparty. The counterparty is obligated to resell the assets back to us at the end of the term of the transaction. We believe that for federal income tax purposes we will be treated as the owner of the assets that are the subject of repurchase agreements and that the repurchase agreements will be treated as secured lending transactions notwithstanding that such agreement may transfer record ownership of the assets to the counterparty during the term of the agreement. It is possible, however, that the Internal Revenue Service could successfully assert that we did not own these assets during the term of the repurchase agreements, in which case we could fail to qualify as a REIT if tax ownership of these assets was necessary for us to meet the income and/or asset tests, or could be subject to tax, including a penalty tax applicable to sales of assets that are considered to be inventory or dealer property, as discussed in “Federal Income Tax Considerations—Taxation of Cantor Fitzgerald Income Trust, Inc.”

***Complying with REIT requirements may limit our ability to hedge effectively.***

The REIT provisions of the Internal Revenue Code may limit our ability to hedge our assets and operations. Under these provisions, any income that we generate from transactions intended to hedge our interest rate, inflation and/or currency risks will be excluded from gross income for purposes of the REIT 75% and 95% gross income tests if the instrument hedges (i) interest rate risk on liabilities incurred to carry or acquire real estate or (ii) risk of currency fluctuations with respect to any item of income or gain that would be qualifying income under the REIT 75% or 95% gross income tests, and such instrument is properly identified under applicable Treasury Regulations. Income from hedging transactions that do not meet these requirements will generally constitute nonqualifying income for purposes of both the REIT 75% and 95% gross income tests. In addition, the value of our positions in hedging contracts may be treated as nonqualifying assets for purposes of the quarterly gross asset tests applicable to REITs. See “Federal Income Tax Considerations—Taxation of Cantor Fitzgerald Income Trust, Inc.—Derivatives and Hedging Transactions.” As a result of these rules, we may have to limit our use of hedging techniques that might otherwise be advantageous, which could result in greater risks associated with interest rate or other changes than we would otherwise incur.

***Ownership limitations may restrict change of control or business combination opportunities in which you might receive a premium for their shares.***

In order for us to qualify as a REIT, no more than 50% in value of our outstanding capital stock may be owned, directly or indirectly, by five or fewer individuals during the last half of any calendar year. “Individuals” for this purpose include natural persons, and some entities such as private foundations. To preserve our REIT qualification, our charter generally prohibits any person from directly or indirectly owning more than 9.8% in value of our outstanding stock or more than 9.8% in value or number of shares, whichever is more restrictive, of our outstanding common stock. This ownership limitation could have the effect of discouraging a takeover or other transaction in which holders of our common stock might receive a premium for their shares over the then prevailing market price or which holders might believe to be otherwise in their best interests.

***Our ownership of and relationship with our taxable REIT subsidiaries will be limited and a failure to comply with the limits would jeopardize our REIT status and may result in the application of a 100% excise tax.***

A REIT may own up to 100% of the stock of one or more taxable REIT subsidiaries. A taxable REIT subsidiary may earn income that would not be qualifying income if earned directly by the parent REIT. Both the subsidiary and the REIT must jointly elect to treat the subsidiary as a taxable REIT subsidiary. A corporation of which a taxable REIT subsidiary directly or indirectly owns more than 35% of the voting power or value of the stock will automatically be treated as a taxable REIT subsidiary. Overall, no more than 20% of the value of a REIT’s assets may consist of stock or securities of one or more taxable REIT subsidiaries. A domestic taxable REIT subsidiary will pay federal, state and local income tax at regular corporate rates on any income that it earns. In addition, the taxable REIT subsidiary rules limit the deductibility of interest paid or accrued by a taxable REIT subsidiary to its parent REIT to assure that the taxable REIT subsidiary is subject to an appropriate level of corporate taxation. The rules also impose a 100% excise tax on certain transactions between a taxable REIT subsidiary and its parent

REIT that are not conducted on an arm's-length basis. We cannot assure you that we will be able to comply with the 20% value limitation on ownership of taxable REIT subsidiary stock and securities on an ongoing basis so as to maintain REIT status or to avoid application of the 100% excise tax imposed on certain non-arm's length transactions.

***Our ability to deduct business interest paid or accrued may be limited.***

Under tax legislation passed by Congress in December, 2017, and referred to as the Tax Cuts and Jobs Act ("TJIA"), in general, the deductibility of the "net interest" paid or accrued, as applicable, of a business, other than certain small businesses, is limited to 30% of the business's adjusted taxable income, defined generally to mean business taxable income computed without regard to business interest income or deductions or net operating loss deductions. Interest that is disallowed as a result of this limitation can be carried forward indefinitely.

If we determine that we would be negatively impacted by this rule and provided that we qualify as a "real property trade or business," an election could be made to permit us to deduct 100% of the interest expense. If such an election is made, the electing "real property trade or business" is thereafter required to use the less favorable alternative depreciation system to depreciate real property used in its trade or business. Under the TCJA, the alternative depreciation system lives are as follows: 30 years for residential real property (previously 40 years), 40 years for non-residential property (no change), and 20 years for qualified improvement property (previously 40 years). For this purpose, a "real estate trade or business" is any real property development, redevelopment, construction, reconstruction, acquisition, conversion, rental, operation, management, leasing, or brokerage trade or business. We believe that we would qualify as a "real property trade or business", however, we will not seek a tax opinion of guidance from the IRS with respect to this determination. There is no statutory provision or other authority grandfathering existing debt from this limitation.

***We may be subject to adverse legislative or regulatory tax changes.***

At any time, the federal income tax laws or regulations governing REITs or the administrative interpretations of those laws or regulations may be amended. We cannot predict when or if any new federal income tax law, regulation or administrative interpretation, or any amendment to any existing federal income tax law, regulation or administrative interpretation, will be adopted, promulgated or become effective and any such law, regulation or interpretation may take effect retroactively. We and our stockholders could be adversely affected by any such change in, or any new, federal income tax law, regulation or administrative interpretation.

***Dividends payable by REITs do not qualify for the reduced tax rates but may be eligible for a 20% deduction if received by an individual.***

Legislation enacted in 2003 and modified in 2005, 2010 and 2013 generally reduces the maximum tax rate for dividends payable to certain shareholders who are domestic individuals, trusts and estates to 20%. Dividends payable by REITs, however, are generally not eligible for the reduced rates. Although this legislation does not adversely affect the taxation of REITs or dividends paid by REITs, the more favorable rates applicable to regular corporate dividends could cause certain investors to perceive investments in REITs to be relatively less attractive than investments in stock of non-REIT corporations that pay dividends, which could adversely affect the value of the stock of REITs, including our common stock. Notwithstanding the foregoing, however, effective January 1, 2018 and continuing through 2025, ordinary income dividends of a REIT (excluding distributions traceable to the dividends paid by a TRS of such REIT), are generally eligible for a 20% deduction from the taxable income of non-corporate stockholders who include such dividends in their net taxable income.



## Retirement Plan Risks

*If the fiduciary of an employee benefit plan subject to ERISA (such as a profit sharing, Section 401(k) or pension plan) or an owner of a retirement arrangement subject to Section 4975 of the Internal Revenue Code (such as an IRA) fails to meet the fiduciary and other standards under ERISA or the Internal Revenue Code as a result of an investment in our stock, the fiduciary could be subject to penalties and other sanctions.*

There are special considerations that apply to employee benefit plans subject to ERISA (such as profit sharing, Section 401(k) or pension plans) and other retirement plans or accounts subject to Section 4975 of the Internal Revenue Code (such as an IRA) that are investing in our shares. Fiduciaries and IRA owners investing the assets of such a plan or account in our common stock should satisfy themselves that:

- the investment is consistent with their fiduciary and other obligations under ERISA and the Internal Revenue Code;
- the investment is made in accordance with the documents and instruments governing the plan or IRA, including the plan's or account's investment policy;
- the investment satisfies the prudence and diversification requirements of Sections 404(a)(1)(B) and 404(a)(1)(C) of ERISA and other applicable provisions of ERISA and the Internal Revenue Code;
- the investment in our shares, for which no public market currently exists, is consistent with the liquidity needs of the plan or IRA;
- the investment will not produce an unacceptable amount of "unrelated business taxable income" for the plan or IRA;
- our stockholders will be able to comply with the requirements under ERISA and the Internal Revenue Code to value the assets of the plan or IRA annually; and
- the investment will not constitute a prohibited transaction under Section 406 of ERISA or Section 4975 of the Internal Revenue Code.

With respect to the annual valuation requirements described above, we will provide an NAV per share for each class of our stock on a monthly basis. We can make no claim whether such NAV per share will or will not satisfy the applicable annual valuation requirements under ERISA and the Internal Revenue Code. The Department of Labor or the Internal Revenue Service may determine that a plan fiduciary or an IRA custodian is required to take further steps to determine the value of our common stock. In the absence of an appropriate determination of value, a plan fiduciary or an IRA custodian may be subject to damages, penalties or other sanctions.

Failure to satisfy the fiduciary standards of conduct and other applicable requirements of ERISA and the Internal Revenue Code may result in the imposition of civil and criminal penalties and could subject the fiduciary to claims for damages or for equitable remedies, including liability for investment losses. In addition, if an investment in our shares constitutes a prohibited transaction under ERISA or the Internal Revenue Code, the fiduciary or IRA owner who authorized or directed the investment may be subject to the imposition of excise taxes with respect to the amount invested. In addition, the investment transaction must be undone. In the case of a prohibited transaction involving an IRA owner, the IRA may be disqualified as a tax-exempt account and all of the assets of the IRA may be deemed distributed and subjected to tax. ERISA plan fiduciaries and IRA owners should consult with counsel before making an investment in our common stock.

## General Risks

*Liability for uninsured losses could adversely affect our financial condition.*

Losses from disaster-type occurrences (such as wars, terrorist activities, floods or earthquakes) may be either uninsurable or not insurable on economically viable terms. Should an uninsured loss or a loss in excess of the



limits of our insurance occur, we could lose our capital investment and/or anticipated profits and cash flow from one or more investments, which in turn could cause the value of the shares and distributions to our stockholders to be reduced.

***Failure to procure adequate capital and funding would negatively impact our results and may, in turn, negatively affect our ability to make distributions to our stockholders.***

We will depend upon the availability of adequate funding and capital for our operations. The failure to secure acceptable financing could reduce our taxable income, as our investments would no longer generate the same level of net income due to the lack of funding or increase in funding costs. A reduction in our net income could reduce our liquidity and our ability to make distributions to our stockholders. We cannot assure you that any, or sufficient, funding or capital will be available to us in the future on terms that are acceptable to us. Therefore, in the event that we cannot obtain sufficient funding on acceptable terms, there may be a negative impact on our ability to make distributions.

***Defects or disruptions in our technology or services could diminish demand for our products and service and subject us to liability.***

Because our technology, products and services are complex and use or incorporate a variety of computer hardware, software and databases, both developed in-house and acquired from third-party vendors, our technology, products and services may have errors or defects. Errors and defects could result in unanticipated downtime or failure, and could cause financial loss and harm to our reputation and our business.

***If we experience computer systems failures or capacity constraints, our ability to conduct our business operations could be materially harmed.***

If we experience computer systems failures or capacity constraints, our ability to conduct our business operations could be harmed. We support and maintain many of our computer systems and networks internally. Our failure to monitor or maintain these systems and networks or, if necessary, to find a replacement for this technology in a timely and cost-effective manner, could have a material adverse effect on our business, financial condition, results of operations and prospects.

Although all of our business critical systems have been designed and implemented with fault tolerant and/or redundant clustered hardware and diversely routed network connectivity, our redundant systems or disaster recovery plans may prove to be inadequate. We may be subject to system failures and outages that might impact our revenues and relationships with clients. In addition, we will be subject to risk in the event that systems of our clients, business partners, vendors and other third parties are subject to failures and outages.

We rely on third-party service providers for certain aspects of our business, including for certain information systems, stockholder services, technology and administration. Our systems, or those of our third-party providers, may fail or operate slowly, causing one or more of the following, which may not in all cases be covered by insurance:

- unanticipated disruptions in service to our clients;
- slower response times;
- financial losses;
- litigation or other client claims; and
- regulatory actions.

We may experience additional systems failures in the future from power or telecommunications failures, acts of God or war, weather-related events, terrorist attacks, human error, natural disasters, fire, power loss, sabotage,

cyber-attacks, hardware or software malfunctions or defects, computer viruses, intentional acts of vandalism and similar events. Any system failure that causes an interruption in service or decreases the responsiveness of our service could damage our reputation, business and brand name.

***Malicious cyber-attacks and other adverse events affecting our operational systems or infrastructure, or those of third parties, could disrupt our business, result in the disclosure of confidential information, damage our reputation and cause losses or regulatory penalties.***

Developing and maintaining our operational systems and infrastructure is challenging, particularly as a result of rapidly evolving legal and regulatory requirements and technological shifts. Our financial, accounting, data processing or other operating and compliance systems and facilities may fail to operate properly or become disabled as a result of events that are wholly or partially beyond our control, such as a malicious cyber-attack or other adverse events, which may adversely affect our ability to provide services.

In addition, our operations rely on the secure processing, storage and transmission of confidential and other information on our computer systems and networks. Although we take protective measures such as software programs, firewalls and similar technology, to maintain the confidentiality, integrity and availability of our and our clients' information, and endeavor to modify these protective measures as circumstances warrant, the nature of cyber threats continues to evolve. As a result, our computer systems, software and networks may be vulnerable to unauthorized access, loss or destruction of data (including confidential client information), account takeovers, unavailability or disruption of service, computer viruses, acts of vandalism, or other malicious code, cyber-attack and other adverse events that could have an adverse security impact. Despite the defensive measures we have taken, these threats may come from external factors such as governments, organized crime, hackers, and other third parties such as outsource or infrastructure-support providers and application developers, or may originate internally from within us.

We also face the risk of operational disruption, failure, termination or capacity constraints of any of the third parties that facilitate our business activities. Such parties could also be the source of a cyber-attack on or breach of our operational systems, data or infrastructure.

There have been an increasing number of cyber-attacks in recent years in various industries, and cyber-security risk management has been the subject of increasing focus by our regulators. If one or more cyber-attacks occur, it could potentially jeopardize the confidential, proprietary and other information processed and stored in, and transmitted through, our computer systems and networks, or otherwise cause interruptions or malfunctions in our, as well as our clients' or other third parties', operations, which could result in reputational damage, financial losses and/or client dissatisfaction, which may not in all cases be covered by insurance. Any such cyber incidents involving our computer systems and networks, or those of third parties important to our business, could have a material adverse effect on our business, financial condition, results of operations and prospects.

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements about our business, including, in particular, statements about our plans, strategies and objectives. You can generally identify forward-looking statements by our use of forward-looking terminology such as “may,” “will,” “expect,” “intend,” “anticipate,” “estimate,” “believe,” “continue” or other similar words. You should not rely on these forward-looking statements because the matters they describe are subject to known and unknown risks, uncertainties and other unpredictable factors, many of which are beyond our control. Our actual results, performance and achievements may be materially different from that expressed or implied by these forward-looking statements.

You should carefully review the “Risk Factors” section of this prospectus for a discussion of the risks and uncertainties that we believe are material to our business, operating results, prospects and financial condition. Except as otherwise required by federal securities laws, we do not undertake to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

These factors include, but are not limited to the following:

- our ability to successfully raise capital in our offering;
- our dependence on the resources and personnel of our advisor, our sponsor and their affiliates, including our advisor’s ability to source and close on attractive investment opportunities on our behalf;
- the performance of our advisor and our sponsor;
- our ability to deploy capital quickly and successfully and achieve a diversified portfolio consistent with our target asset classes;
- our ability to access financing for our investments;
- our liquidity;
- our ability to make distributions to our stockholders, including from sources other than cash flow from operations;
- the effect of paying distributions to our stockholders from sources other than cash flow provided by operations;
- the lack of a public trading market for our shares;
- the impact of economic conditions on our tenants, borrowers and others who we depend on to make payments to us;
- our advisor’s ability to attract and retain sufficient personnel to support our growth and operations;
- our limited operating history;
- difficulties in economic conditions generally and the real estate, debt, and securities markets specifically;
- changes in our business or investment strategy;
- environmental compliance costs and liabilities;
- any failure in our advisor’s due diligence to identify all relevant facts in our underwriting process or otherwise;
- the impact of market and other conditions influencing the availability of equity versus debt investments and performance of our investments relative to our expectations and the impact on our actual return on invested equity, as well as the cash provided by these investments;
- defaults on or non-renewal of leases by tenants, lease renewals at lower than expected rent, or failure to lease properties at all or on favorable rents and terms;

- the degree and nature of our competition;
- risks associated with using debt to fund our business activities, including re-financing and interest rate risks;
- illiquidity of investments in our portfolio;
- our ability to finance our transactions;
- the effectiveness of our risk management systems;
- availability of opportunities, including our advisor’s ability to source and close on income-producing commercial real estate, debt secured by commercial real estate and other real estate-related assets;
- our ability to realize current and expected returns over the life of our investments;
- our ability to maintain effective internal controls;
- information technology risks, including capacity constraints, failures, or disruptions in our systems or those of parties with which we interact, including cybersecurity risks and incidents, privacy risk and exposure to potential liability and regulatory focus;
- regulatory requirements with respect to our business, as well as the related cost of compliance;
- our ability to qualify and maintain our qualification as a REIT for federal income tax purposes and limitations imposed on our business by our status as a REIT;
- changes in laws or regulations governing various aspects of our business and non-traded REITs generally, including, but not limited to, changes implemented by the Department of Labor or FINRA and changes to laws governing the taxation of REITs;
- our ability to maintain our exemption from registration under the Investment Company Act;
- general volatility in domestic and international capital markets and economies;
- effect of regulatory actions, litigation and contractual claims against us and our affiliates, including the potential settlement and litigation of such claims;
- the impact of any conflicts arising among us and our sponsor and its affiliates;
- the adequacy of our cash reserves and working capital;
- increases in interest rates, operating costs, or greater than expected capital expenditures;
- the timing of cash flows, if any, from our investments;
- the full extent of the impact and effects of the recent outbreak of coronavirus (COVID-19) on the future financial performance of our company and our tenants; and
- other risks associated with investing in our targeted investments.

The foregoing list of factors is not exhaustive. Factors that could have a material adverse effect on our operations and future prospects are set forth in “Risk Factors” in this prospectus beginning on page 35. The factors set forth in the Risk Factors section and described elsewhere in this prospectus could cause our actual results to differ significantly from those contained in any forward-looking statement contained in this prospectus.

## ESTIMATED USE OF PROCEEDS

The tables on the following pages set forth information about how we intend to use the proceeds raised in this offering and assume the sale of the maximum primary offering amount of \$1,000,000,000 and no sales of shares under our distribution reinvestment plan.

The tables assume that 55%, 5%, 15% and 25% of our offering proceeds are from the sale of each of Class T, Class S, Class D and Class I shares. The number of shares of each class sold and the relative proportions in which the classes of shares are sold are uncertain and may differ significantly from what is shown in the tables below. We may reallocate the shares of our common stock we are offering between the primary offering and our distribution reinvestment plan. We will only use the proceeds raised in this offering for the purposes set forth in this prospectus and in a manner consistent with the investment guidelines approved by our board of directors, who serve as fiduciaries to our stockholders.

The actual amount of upfront selling commissions and dealer manager fees will vary from the estimated amounts shown in the table below because the upfront selling commissions may be reduced due to volume discounts applicable with respect to Class T shares and Class S shares. Any reduction in upfront selling commissions will be accompanied by a corresponding reduction in the Class T share and Class S share per share purchase price to the applicable stockholder, but will not affect the amounts available to us for investment. Because amounts in these tables are estimates, they may not accurately reflect the actual receipt or use of the offering proceeds.

We intend to use the net proceeds from this offering to (i) make investments in accordance with our investment strategy and policies, (ii) reduce borrowings and repay indebtedness incurred under various financing agreements we may enter into and (iii) fund repurchases under our share repurchase program. Generally, our policy will be to pay distributions from cash flow from operations. However, subject to Maryland law and the discretion of our board of directors, particularly in the earlier part of this offering, we may choose to use cash flows from the sale of assets, borrowings, offering proceeds, or other sources to fund distributions to our stockholders.

The following table presents information regarding the use of proceeds raised in this offering with respect to Class T shares:

	<b>Maximum Offering of \$550,000,000 in Class T shares</b>	
Gross Proceeds <sup>(1)</sup> .....	\$550,000,000	100%
Upfront Selling Commissions and Dealer Manager Fees <sup>(2)</sup> .....	\$ 18,599,034	3.38%
Organization and Offering Expenses <sup>(3)</sup> .....	\$ 5,500,000	1.00%
Net Proceeds Available for Investment .....	\$525,900,966	95.62%

The following table presents information regarding the use of proceeds raised in this offering with respect to Class S shares:

	<b>Maximum Offering of \$50,000,000 in Class S shares</b>	
Gross Proceeds <sup>(1)</sup> .....	\$50,000,000	100%
Upfront Selling Commissions <sup>(2)</sup> .....	\$ 1,690,821	3.38%
Organization and Offering Expenses <sup>(3)</sup> .....	\$ 500,000	1.00%
Net Proceeds Available for Investment .....	\$47,809,179	95.62%

The following table presents information regarding the use of proceeds raised in this offering with respect to Class D shares:

	<u>Maximum Offering of \$150,000,000 in Class D shares</u>	
Gross Proceeds <sup>(1)</sup> . . . . .	\$150,000,000	100%
Upfront Selling Commissions <sup>(2)</sup> . . . . .	—	—
Organization and Offering Expenses <sup>(3)</sup> . . . . .	<u>\$ 1,500,000</u>	<u>1.00%</u>
Net Proceeds Available for Investment . . . . .	<u>\$148,500,000</u>	<u>99.00%</u>

The following table presents information regarding the use of proceeds raised in this offering with respect to Class I shares:

	<u>Maximum Offering of \$250,000,000 in Class I shares</u>	
Gross Proceeds <sup>(1)</sup> . . . . .	\$250,000,000	100%
Upfront Selling Commissions <sup>(2)</sup> . . . . .	—	—
Organization and Offering Expenses <sup>(3)</sup> . . . . .	<u>\$ 2,500,000</u>	<u>1.00%</u>
Net Proceeds Available for Investment . . . . .	<u>\$247,500,000</u>	<u>99.00%</u>

- (1) Gross offering proceeds include upfront selling commissions and dealer manager fees that our dealer manager is entitled to receive (including any amounts that may be retained by or reallocated to participating broker dealers). We intend to conduct a continuous offering of an unlimited number of shares of our common stock over an unlimited time period by filing a new registration statement prior to the end of the three-year period described in Rule 415 under the Securities Act; however, in certain states this offering is subject to annual renewals of the offering period.
- (2) For Class T shares, includes upfront selling commissions of 3.0% of the transaction price and upfront dealer manager fees of 0.5% of the transaction price, however such amounts may vary at certain participating broker-dealers provided that the sum will not exceed 3.5% of the transaction price. For Class S shares, includes upfront selling commissions of 3.5% of the transaction price. Amounts presented in the tables are less than 3.5% of gross proceeds because upfront selling commissions and dealer manager fees are calculated as 3.5% of the transaction price (which excludes upfront selling commissions and dealer manager fees), which means that upfront selling commissions expressed as a percentage of the total investment (including upfront selling commissions and dealer manager fees) are less than 3.5%. We will also pay the following selling commissions over time as distribution fees to the dealer manager, subject to FINRA limitations on underwriting compensation: (a) for Class T shares only, an advisor distribution fee of 0.65% per annum, and a dealer distribution fee of 0.20% per annum, of the aggregate NAV for the Class T shares, however, with respect to Class T shares sold through certain participating broker-dealers, the advisor distribution fee and the dealer distribution fee may be other amounts, provided that the sum of such fees will always equal 0.85% per annum of the NAV of such shares, (b) for Class S shares only, a distribution fee equal to 0.85% per annum of the aggregate NAV for the Class S shares and (c) for Class D shares only, a distribution fee equal to 0.25% per annum of the aggregate NAV for the Class D shares, in each case, payable monthly. The total amount that will be paid over time for distribution fees depends on the average length of time for which shares remain outstanding, the term over which such amount is measured and the performance of our investments, and is not expected to be paid from sources other than cash flow from operating activities. See “Plan of Distribution—Underwriting Compensation—Upfront Selling Commissions and Dealer Manager Fees” and “Management Compensation—Distribution Fees.”
- (3) The organization and offering expense numbers shown above represent our estimates of expenses to be incurred by us in connection with this offering and include estimated wholesaling expenses reimbursable by us. See “Management Compensation—Organization and Offering Expense Reimbursement” for examples of the types of organization and offering expenses we may incur.



The aggregate amount of underwriting compensation from all sources, including upfront selling commissions, dealer manager fees, distribution fees and other underwriting compensation, will not exceed 10% of the gross proceeds from our primary offering.

## MANAGEMENT

### Board of Directors

We operate under the direction of our board of directors, the members of which are accountable to us and our stockholders as fiduciaries. The board is responsible for the management and control of our affairs. The board has retained our advisor to manage our day-to-day operations and our portfolio of investments, subject to the board's supervision. Our directors have a fiduciary duty to supervise our relationship with our advisor.

Our charter and bylaws provide that the number of our directors may be established by a majority of our board of directors but may not be fewer than three. Our charter also provides that a majority of our directors must be independent of us, our advisor and our respective affiliates except for a period of 60 days after the death, resignation or removal of an independent director pending the election of his or her successor. We currently have three independent directors on our board of directors. An "independent director" is a person who is not one of our officers or employees or an officer or employee of our advisor or its affiliates, has not been so for the previous two years and meets the other requirements set forth in our charter. Our independent directors also meet the director independence standards of the New York Stock Exchange, Inc. At the first meeting of our board of directors consisting of a majority of independent directors, our charter was reviewed and approved by a vote of our board of directors as required by the North American Securities Administrators Association's Statement of Policy Regarding Real Estate Investment Trusts, as revised and adopted on May 7, 2007, or the NASAA REIT Guidelines.

Each director will serve until the next annual meeting of stockholders and until his successor has been duly elected and qualifies. The presence in person or by proxy of stockholders entitled to cast 50% of all the votes entitled to be cast at any stockholder meeting constitutes a quorum. With respect to the election of directors, each candidate nominated for election to the board of directors must receive a majority of the votes present, in person or by proxy, in order to be elected. Therefore, if a nominee receives fewer "for" votes than "withhold" votes in an election, then the nominee will not be elected.

Although our board of directors may increase or decrease the number of directors, a decrease may not have the effect of shortening the term of any incumbent director. Any director may resign at any time or may be removed with or without cause by the stockholders upon the affirmative vote of at least a majority of all the votes entitled to be cast generally in the election of directors. The notice of any special meeting called to remove a director will indicate that the purpose, or one of the purposes, of the meeting is to determine if the director shall be removed.

Unless otherwise provided by Maryland law, the board of directors is responsible for selecting its own nominees and recommending them for election by the stockholders. A vacancy created by an increase in the number of directors or the death, resignation, adjudicated incompetence or other incapacity of a director or a vacancy following the removal of a director may be filled only by a vote of a majority of the remaining directors and, in the case of an independent director, the director must also be nominated by the remaining independent directors.

Our directors are accountable to us and our stockholders as fiduciaries. This means that our directors must perform their duties in good faith and in a manner each director believes to be in our and our stockholders' best interests. Further, our directors must act with such care as an ordinarily, prudent person in a like position would use under similar circumstances, including exercising reasonable inquiry when taking actions. However, our directors and executive officers are not required to devote all of their time to our business and must only devote such time to our affairs as their duties may require. We do not expect that our directors will be required to devote a substantial portion of their time to us in discharging their duties.

In addition to meetings of the various committees of the board, which committees we describe below, we expect our directors to hold at least four regular board meetings each year. Our board has the authority to fix the compensation of all officers that it selects and may pay compensation to directors for services rendered to us in any other capacity although we expect our audit committee would act on these matters.

Our general investment and borrowing policies are set forth in this prospectus. Our directors may establish further written policies on investments and borrowings and will monitor our administrative procedures, investment operations and performance to ensure that our executive officers and advisor follow these policies and that these policies continue to be in the best interests of our stockholders. Unless modified by our directors, we will follow the policies on investments and borrowings set forth in this prospectus.

**Committees of the Board of Directors**

Our board of directors may delegate many of its powers to one or more committees. Our charter requires that each committee consist of at least a majority of independent directors, and our board has an audit committee that consists solely of independent directors.

***Audit Committee***

Our board of directors has established an audit committee that consists solely of independent directors. The audit committee will assist the board in overseeing:

- our accounting and financial reporting processes;
- the integrity and audits of our financial statements;
- our compliance with legal and regulatory requirements;
- the qualifications and independence of our independent auditors;
- the performance of our internal and independent auditors; and
- the approval of transactions, and resolution of other conflicts of interest, between us and our advisor and its affiliates.

The audit committee will also select the independent public accountants to audit our annual financial statements, review with the independent public accountants the plans and results of the audit engagement and consider and approve the audit and non-audit services and fees provided by the independent public accountants. Our audit committee is comprised of Arthur F. Backal, John M. Matteson and Dean Palin, all of whom are independent directors. Mr. Palin serves as the chairman of our audit committee and is our audit committee financial expert.

**Executive Officers and Directors**

As of the date of this prospectus, our directors and executive officers and their positions and offices are as follows:

<i>Name*</i>	<i>Age</i>	<i>Positions</i>
Howard W. Lutnick . . . . .	62	Chairman of the Board of Directors and Chief Executive Officer
Christopher A. Milner . . . . .	57	President
Paul M. Pion . . . . .	57	Director, Chief Financial Officer and Treasurer
Arthur F. Backal . . . . .	62	Independent Director
John M. Matteson . . . . .	59	Independent Director
Dean Palin . . . . .	55	Independent Director

\* The address of each executive officer and director listed is 110 E. 59th Street, New York, NY 10022.

*Howard W. Lutnick.* Mr. Lutnick has served as our Chairman and Chief Executive Officer since February 2017. Mr. Lutnick also has served as the Chief Executive Officer of our advisor since February 2017. He joined Cantor in 1983 and was named President and Chief Executive Officer in 1991 and Chairman in 1996. Mr. Lutnick served as the Chairman and Chief Executive Officer of Rodin Income Trust, from February 2017 and as its

President from January 2018, through the company's dissolution in December of 2022. Mr. Lutnick is also the Chairman of Newmark Group, Inc. (which operates as Newmark Knight Frank), one of the world's leading real estate advisory firms. Mr. Lutnick is also the Chairman and Chief Executive Officer of BGC Partners, Inc., a leading global brokerage company servicing the financial and real estate markets. Mr. Lutnick holds a degree in economics from Haverford College. He is a member of the boards of the Zachary and Elizabeth M. Fisher Center for Alzheimer's Disease Research at Rockefeller University, National September 11 Memorial & Museum, and The Partnership for New York City. Mr. Lutnick received the Department of the Navy's Distinguished Public Service Award, the highest honor granted by the Navy to non-military personnel.

We believe that Mr. Lutnick's extensive experience supports his appointment to our board of directors.

*Christopher A. Milner.* Mr. Milner has served as our and our advisor's President since May of 2020. Mr. Milner has also served as the Head of Commercial Real Estate Investment Management at Cantor Fitzgerald, L.P. since March 2013 and has served as senior portfolio manager of Resolution Recovery Partners Manager, LLC, an institutional fund managed by an affiliate of our sponsor, since August 2015. In May of 2019 Mr. Milner became a member of the investment committee of the manager for Cantor Silverstein Opportunity Zone Trust, Inc., a fund that is co-sponsored by our sponsor. Additionally, Mr. Milner served as a member of the board of the Institute for Portfolio Alternatives from 2020 to 2022. Previously, Mr. Milner spent 14 years at BlackRock and was a co-founder of its Commercial Real Estate Debt business. Mr. Milner was Global Head of CRE Debt and President of the Carbon Capital series of private real estate debt funds as well as a member of BlackRock's Corporate Leadership Committee, the Real Estate Executive Committee and the Global Real Estate Investment Committee. Prior to joining BlackRock in 1997, Mr. Milner was responsible for origination, underwriting and securitization of all commercial mortgage conduit loan production at PNC and was also a member of the PNC M&A team which acquired BlackRock and Midland Loan Services in 1995 and 1998, respectively. Mr. Milner received an MBA in finance with a concentration in real estate from Indiana University and a Bachelor of Arts degree in economics from DePauw University.

*Paul M. Pion.* Mr. Pion served as our director, Chief Financial Officer and Treasurer and Chief Financial Officer and Treasurer of the Advisor from April 2023 as well as from January 2020 to January 2021. From January 2020 to January 2021, Mr. Pion served as a director and as the Chief Financial Officer and Treasurer of Rodin Income Trust, Inc. and as the Chief Financial Officer and Treasurer of Rodin Income Advisors, LLC. He has served as Chief Administrative Officer and Senior Managing Director of Cantor Fitzgerald & Co. since August 2011. Additionally, from January 17, 2012, until January 26, 2021, Mr. Pion served as Chief Executive Officer of Tower Bridge International Services LP, responsible for the back-office functions under a shared-services model for all Cantor UK-based businesses. Prior to joining Cantor, Mr. Pion served for approximately 14 years with the accounting firm Deloitte & Touche, most recently as an Audit and Assurance partner focusing on financial services clients. At Deloitte & Touche, he also led the New York office's China Practice. Mr. Pion holds Series 7 and 27 licenses and is a Certified Public Accountant in the State of New York. He received a B.S. in Accounting from the State University of New York at Albany.

We believe that Mr. Pion's extensive experience in the financial services industry supports his appointment to our board of directors.

### ***Independent Directors***

*Arthur F. Backal.* Mr. Backal has been one of our independent directors since February 2017. Mr. Backal founded and has served as the President and Chief Executive Officer of Backal Hospitality Group, LLC, a premier New York-based hospitality and event services company, since December 2007. Mr. Backal also founded and has served as the President of State of the Art Enterprises, Inc., a premier New York-based full-service event planning company, since November 2002. Prior to founding Backal Hospitality Group and State of the Art Enterprises, Mr. Backal focused on the New York hospitality industry, holding various positions with a

number of hotels in New York City, including the Plaza, the Pierre, the Helmsley Palace and the St. Regis. Mr. Backal holds a Bachelor of Arts in Hospitality Business from Michigan State University.

We believe that Mr. Backal's extensive experience in business management supports his appointment to our board of directors.

*John M. Matteson.* Mr. Matteson has been one of our independent directors since February 2017. Mr. Matteson is the Founder of The Matteson Companies, or TMC, a Boston-based real estate investment and development company, which he founded in June 2014. At TMC, Mr. Matteson has been responsible, in partnership with GFI Partners, a Boston-based real estate advisor, for acquiring investments, ranging from projects such as net leased warehouse and warehouse development to office and residential development, totaling over \$1.2 billion in gross asset value. Prior to forming TMC, Mr. Matteson spent eleven years from September 2004 to June 2014 as the Regional Director of the Archon Group, a Goldman Sachs Company, managing Goldman Sachs' Boston real estate division, where he was responsible for investing over \$2 billion of the firm's equity nationally, focusing on Boston, New York City and Chicago. Mr. Matteson is a graduate of the University of Wisconsin – Madison where he received a Bachelor of Science in Economics.

We believe that Mr. Matteson's extensive real estate investment experience supports his appointment to our board of directors.

*Dean Palin.* Mr. Palin has been one of our independent directors and our audit committee financial expert since February 2017. Mr. Palin has served as a Principal of Palin Enterprises, a national real estate organization that oversees a major portfolio of residential, commercial and industrial properties located across the country from New York to California, since 1990. Mr. Palin's work with Palin Enterprises focuses on the development, including new construction and rehabilitation, and management and leasing of residential, commercial and industrial complexes. During the past 10 years, Mr. Palin has expanded Palin Enterprises' residential development portfolio with new developments in Brooklyn, Queens and Long Beach, New York. Palin Enterprises owns and operates over five million square feet of industrial space. In addition, over the past 20 years, Mr. Palin has partnered with, operated and invested in many New York City restaurants. Mr. Palin holds a Bachelor of Science in Business from the Boston University School of Management.

We believe that Mr. Palin's extensive experience in real estate and business management supports his appointment to our board of directors.

### **Compensation of Directors**

We compensate each of our independent directors with an annual retainer of \$20,000, with the chairman of the audit committee receiving an additional annual retainer of \$5,000. In addition, we pay independent directors for attending board and committee meetings \$1,000 in cash for each board and committee meeting attended. All directors receive reimbursement of reasonable out-of-pocket expenses incurred in connection with attendance at meetings of the board of directors. If a director is also one of our officers, we do not pay any compensation for services rendered as a director.

Notwithstanding the foregoing arrangement, each of our independent directors will receive a minimum of \$25,000 annually for service on our board of directors.

### **Long-Term Incentive Plan**

We adopted a long-term incentive plan, which we will use to attract and retain qualified directors, officers, employees, if any, and consultants. Our long-term incentive plan offers these individuals an opportunity to participate in our growth through awards in the form of, or based on, our common stock.

Our long-term incentive plan authorizes the granting of stock options, stock appreciation rights, restricted stock, restricted stock units, deferred stock units, performance awards, dividend equivalents, limited partnership

interests in our operating partnership, or any other right relating to our common stock or cash; provided that our long-term incentive plan prohibits the issuance of stock appreciation rights and dividend equivalent rights unless and until our shares of common stock are listed on a national securities exchange. As required by the NASAA REIT Guidelines, the maximum number of shares of our common stock that may be issued upon the exercise or grant of an award under our long-term incentive plan will not exceed in the aggregate, an amount equal to 5% of the outstanding shares of our common stock on the date of grant of any such awards. Any stock options or stock appreciation rights granted under our long-term incentive plan will have an exercise price or base price that is not less than the fair market value of our common stock on the date of grant. The exercise price or base price may not be reduced, directly or indirectly, or indirectly by cancellation and regrant, without the prior approval of our stockholders.

An option is a right to purchase shares of our common stock at a specified price during specified times. A stock appreciation right is a right to receive a payment equal to the difference between the fair market value of a share of our common stock as of the date of exercise over the base value determined by our board of directors, or a committee of our board of directors. Restricted stock means a right to receive shares of our common stock that is subject to certain restrictions and to risk of forfeiture. A restricted stock unit is a right to receive shares of our common stock (or the equivalent value in cash or other property if our board of directors or the committee so provides) in the future, which right is subject to certain restrictions and to risk of forfeiture. A deferred stock unit is similar to a restricted stock unit, except that the right is not subject to risk of forfeiture. A dividend equivalent is a right to receive a payment equal to dividends with respect to all or a portion of the number of shares subject to an award. Payment of awards under the long-term incentive plan may be made in cash, shares of our common stock, or any other form of property as the committee shall determine.

Our board of directors, or a committee of our board of directors, will administer our long-term incentive plan with sole authority to determine all of the terms and conditions of the awards, including whether the grant, vesting or settlement of awards may be subject to the attainment of one or more performance goals, and to make all other decisions and determinations that may be required to administer the plan. As described above under “—Compensation of Directors,” our board of directors has adopted a sub-plan to provide for regular grants of restricted stock to our independent directors.

No awards may be granted under either plan if the grant or vesting of the awards would jeopardize our status as a REIT under the Internal Revenue Code or otherwise violate the ownership and transfer restrictions imposed under our charter. Unless otherwise determined by our board of directors or the committee, no unexercised or restricted award granted under our long-term incentive plan is transferable except through the laws of descent and distribution.

We have authorized and reserved an aggregate maximum of 2,000,000 shares of our common stock for issuance under our long-term incentive plan. Any class of stock may be issued in the discretion of our board of directors. However, unless and until our board of directors determines otherwise, all stock issued under our long-term incentive plan will consist of common stock. If an award is cancelled, terminates, expires, is forfeited or lapses for any reason, any unissued or forfeited shares will again be available for issuance under the long-term incentive plan. Shares subject to awards settled in cash, or withheld to satisfy minimum tax requirements also will again be available for issuance under the long-term incentive plan. If the full number of shares subject to an award is not issued upon exercise of an option or a stock appreciation right, such as by reason of a net-settlement of an award, only the actual number of shares issued will be considered for purposes of determining the number of shares remaining available for issuance under the long-term incentive plan. Certain substitute awards do not count against shares otherwise available for awards under the long-term incentive plan.

In the event of a nonreciprocal transaction between our company and our stockholders that causes the per share value of our common stock to change (including, without limitation, any stock dividend, stock split, spin-off, rights offering or large nonrecurring cash dividend), the share authorization limits under our long-term incentive plan will be adjusted proportionately and our board of directors must make such adjustments to our long-term



incentive plan and awards as it deems necessary, in its sole discretion, to prevent dilution or enlargement of rights immediately resulting from such transaction. In the event of a stock split, a stock dividend or a combination or consolidation of the outstanding shares of common stock into a lesser number of shares, the authorization limits under our long-term incentive plan will automatically be adjusted proportionately and the shares then subject to each award will automatically be adjusted proportionately without any change in the aggregate purchase price.

Upon the occurrence or in anticipation of any corporate event or transaction involving us (including, without limitations, any merger, reorganization, recapitalization, combination or exchange of shares), the committee may, in its sole discretion, provide (i) that awards will be settled in cash rather than shares of our common stock, (ii) that awards will become immediately vested and exercisable and expire after a designated period of time to the extent not exercised, (iii) that awards will be assumed by another party to a transaction or otherwise be equitably converted or substituted in connection with such transaction, (iv) that outstanding awards may be settled by payment in cash or cash equivalents equal to the excess of the fair market value of the underlying shares of common stock over the exercise price of the award, (v) that performance targets and performance periods for performance awards will be modified, or (vi) any combination of the foregoing. The committee's determination need not be uniform and may be different for different participants whether or not similarly situated.

Our long-term incentive plan will automatically expire on the tenth anniversary of the date on which it was approved by our board of directors and stockholders, unless extended or earlier terminated by our board of directors. Our board of directors may terminate our long-term incentive plan at any time. The expiration or other termination of our long-term incentive plan will have no adverse impact on any award previously granted under our long-term incentive plan. Our board of directors or the committee may amend our long-term incentive plan at any time, but no amendment will adversely affect any award previously granted without the consent of the participant affected thereby. No amendment to our long-term incentive plan will be effective without the approval of our stockholders if such approval is required by any law, policy or regulation applicable to our long-term incentive plan or the listing or other requirements of any stock exchange on which shares of our common stock are listed or traded.

As of September 30, 2023, we have not issued any awards under our long-term incentive plan.

### **Limited Liability and Indemnification of Directors, Officers, Employees and Other Agents**

Our charter generally limits the liability of our directors and officers to us and our stockholders for monetary damages and requires us to indemnify and advance expenses to our directors, our officers, our advisor and its affiliates for losses they may incur by reason of their service in that capacity subject to the limitations set forth under Maryland law or our charter.

Maryland law permits a corporation to include in its charter a provision limiting the liability of directors and officers to the corporation and its stockholders for money damages, except for liability resulting from actual receipt of an improper benefit or profit in money, property or services or active and deliberate dishonesty established by a final judgment and which is material to the cause of action.

The Maryland General Corporation Law requires a corporation (unless its charter provides otherwise, which our charter does not) to indemnify a director or officer who has been successful, on the merits or otherwise, in the defense of any proceeding to which he or she is made or threatened to be made a party by reason of his or her service in that capacity. The Maryland General Corporation Law permits directors and officers to be indemnified against judgments, penalties, fines, settlements and reasonable expenses actually incurred in connection with a proceeding unless the following can be established:

- an act or omission of the director or officer was material to the cause of action adjudicated in the proceeding, and was committed in bad faith or was the result of active and deliberate dishonesty;

- the director or officer actually received an improper personal benefit in money, property or services; or
- with respect to any criminal proceeding, the director or officer had reasonable cause to believe his or her act or omission was unlawful.

A court may order indemnification if it determines that the director or officer is fairly and reasonably entitled to indemnification, even though the director or officer did not meet the prescribed standard of conduct or was adjudged liable on the basis that personal benefit was improperly received. However, indemnification for an adverse judgment in a suit by the corporation or in its right, or for a judgment of liability on the basis that personal benefit was improperly received, is limited to expenses.

The Maryland General Corporation Law permits a corporation to advance reasonable expenses to a director or officer upon receipt of a written affirmation by the director or officer of his or her good faith belief that he or she has met the standard of conduct necessary for indemnification and a written undertaking by him or her or on his or her behalf to repay the amount paid or reimbursed if it is ultimately determined that the standard of conduct was not met.

However, in addition to the above limitations of the Maryland General Corporation Law, our charter provides that our directors, our advisor and its affiliates may be indemnified for losses or liability suffered by them or held harmless for losses or liability suffered by us only if all of the following conditions are met:

- the party seeking indemnification has determined, in good faith, that the course of conduct that caused the loss or liability was in our best interests;
- the party seeking indemnification was acting on our behalf or performing services for us;
- in the case of an independent director, the liability or loss was not the result of gross negligence or willful misconduct by the independent director;
- in the case of a non-independent director, our advisor or one of its affiliates, the liability or loss was not the result of negligence or misconduct by the party seeking indemnification; and
- the indemnification is recoverable only out of our net assets and not from the common stockholders.

The SEC takes the position that indemnification against liabilities arising under the Securities Act of 1933 is against public policy and unenforceable. Furthermore, our charter prohibits the indemnification of our directors, our advisor, its affiliates or any person acting as a broker-dealer for liabilities arising from or out of a violation of state or federal securities laws, unless one or more of the following conditions are met:

- there has been a successful adjudication on the merits of each count involving alleged material securities law violations;
- such claims have been dismissed with prejudice on the merits by a court of competent jurisdiction; or
- a court of competent jurisdiction approves a settlement of the claims against the indemnitee and finds that indemnification of the settlement and the related costs should be made, and the court considering the request for indemnification has been advised of the position of the SEC and of the published position of any state securities regulatory authority in which the securities were offered as to indemnification for violations of securities laws.

Our charter further provides that the advancement of funds to our directors and to our advisor and its affiliates for reasonable legal expenses and other costs incurred in advance of the final disposition of a proceeding for which indemnification is being sought is permissible only if all of the following conditions are satisfied: the proceeding relates to acts or omissions with respect to the performance of duties or services on our behalf; the legal proceeding was initiated by a third party who is not a common stockholder or, if by a common stockholder acting in his or her capacity as such, a court of competent jurisdiction approves such advancement; and the person seeking the advancement provides us with written affirmation of his or her good faith belief that he or she has

met the standard of conduct necessary for indemnification and a written agreement to repay the amount paid or reimbursed by us, together with the applicable legal rate of interest thereon, if it is ultimately determined that such person is not entitled to indemnification.

We have entered into indemnification agreements with each of our directors and executive officers. Pursuant to the terms of these indemnification agreements, we will indemnify and advance expenses and costs incurred by our directors and executive officers in connection with any claims, suits or proceedings brought against such directors and executive officers as a result of their service. However, our indemnification obligation is subject to the limitations set forth in the indemnification agreements and in our charter. We have also purchased and maintain insurance on behalf of all of our directors and officers against liability asserted against or incurred by them in their official capacities with us, whether or not we are required or have the power to indemnify them against the same liability.

### **The Advisor**

Our advisor is Cantor Fitzgerald Income Advisors, LLC. Our advisor is a limited liability company that was formed in the State of Delaware on February 11, 2016. As our advisor, Cantor Fitzgerald Income Advisors, LLC has contractual and fiduciary responsibilities to us and our stockholders.

The officers of our advisor are as follows:

<i>Name</i>	<i>Age</i>	<i>Positions</i>
Howard W. Lutnick . . . . .	61	Chief Executive Officer
Christopher A. Milner . . . . .	57	President
Paul M. Pion . . . . .	56	Chief Financial Officer

The backgrounds of Messrs. Lutnick, Milner and Pion are described above in the “Management — Executive Officers and Directors.”

### **The Advisory Agreement**

#### ***Services***

Under the terms of the advisory agreement, our advisor will use its best efforts to present to us investment opportunities that provide a continuing and suitable investment program for us consistent with our investment policies and objectives as adopted by our board of directors. Pursuant to the advisory agreement, our advisor will manage our day-to-day operations (subject to the authority of our board of directors and officers) and perform other duties, including, but not limited to, the following:

- finding, presenting and recommending investment opportunities to us consistent with our investment policies and objectives;
- making investment decisions for us, subject to the limitations in our charter and the direction and oversight of our board of directors;
- assisting our board of directors in developing, overseeing, implementing and coordinating our monthly NAV procedures;
- providing information about our properties and other assets and liabilities to the Independent Valuation Firm and other parties involved in determining our monthly NAV;
- structuring the terms and conditions of our investments, sales and joint ventures;
- acquiring investments on our behalf in compliance with our investment objectives and policies;
- reviewing and analyzing the operating and capital budgets of properties we may acquire and properties underlying our investments;

- sourcing and structuring our property acquisitions and loan originations;
- arranging for financing and refinancing of investments;
- entering into leases and service contracts for our real properties;
- entering into service contracts for our loans;
- supervising and evaluating each property manager’s and loan servicer’s performance;
- assisting us in obtaining insurance;
- generating an annual budget for us;
- reviewing and analyzing financial information for each of our assets and the overall portfolio;
- arranging for the disposition of properties on our behalf in compliance with our investment objectives and policies;
- formulating and overseeing the implementation of strategies for the administration, promotion, management, financing and refinancing, marketing, servicing and disposition of our investments;
- performing investor-relations services;
- maintaining our accounting and other records and assisting us in filing all reports required to be filed with the SEC, the Internal Revenue Service and other regulatory agencies;
- selecting, and, on our behalf, engaging and conducting business with such persons as our advisor deems necessary to the proper performance of its obligations under our advisory agreement, including but not limited to consultants, accountants, technical advisors, attorneys, brokers, underwriters, 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 our advisor necessary or desirable for the performance of any of the services under our advisory agreement; and
- performing any other services reasonably requested by us.

***Term and Termination Rights***

The advisory agreement has a one-year term but may be renewed for an unlimited number of successive one year periods upon the mutual consent of our advisor and us. The current term of the advisory agreement will end August 10, 2023. It is the duty of our board of directors to evaluate the performance of our advisor before renewing our advisory agreement. The criteria used in these evaluations will be reflected in the minutes of the meetings of our board of directors in which the evaluations occur.

Our advisory agreement may be terminated:

- immediately by us for “cause,” or upon the bankruptcy of our advisor;
- without cause or penalty by us or our advisor upon 60-days’ written notice; or
- with “good reason” by our advisor upon 60-days’ written notice.

“Good reason” is defined in our advisory agreement to mean either any failure by us to obtain a satisfactory agreement from any successor to assume and agree to perform our obligations under our advisory agreement or any material breach of our advisory agreement of any nature whatsoever by us or our operating partnership. “Cause” is defined in our advisory agreement to mean fraud, criminal conduct, willful misconduct, gross negligence or breach of fiduciary duty by our advisor or a material breach of our advisory agreement by our advisor, which has not been cured within 30 days of such breach.

In the event of the termination of our advisory agreement, our advisor will cooperate with us and take all reasonable steps to assist in making an orderly transition of the advisory function. Our board of directors shall determine whether any succeeding advisor possesses sufficient qualifications to perform the advisory function and to justify the compensation it would receive from us.

Upon termination of our advisory agreement, our advisor will be paid all accrued and unpaid fees and expense reimbursements earned prior to the date of termination.

We anticipate that our board of directors will consider a long-term management agreement with our advisor or its affiliate upon a listing, if any, of our securities on a national securities exchange. Any such long-term management agreement would require the approval of our board of directors, including a majority of our independent directors, prior to our entering into such agreement.

Our advisor and its affiliates engage in other business ventures, and, as a result, they do not dedicate their resources exclusively to our business. However, pursuant to the advisory agreement, our advisor must devote sufficient resources to our business to discharge its obligations to us. Our advisor may assign the advisory agreement to an affiliate upon our approval. We may assign or transfer the advisory agreement to a successor entity. Compensation to be paid to our advisor may be increased, subject to approval by our independent directors and the other limitations in our advisory agreement and our charter, without stockholder approval.

#### ***Management Fee, Performance Participation and Expense Reimbursements***

*Management Fee.* As compensation for its services provided pursuant to our advisory agreement, we pay our advisor an asset management fee of 1.20% of NAV per annum payable monthly. In calculating our asset management fee, we will use our NAV before giving effect to accruals for the management fee, performance participation allocation, distribution fees or distributions payable on our shares.

*Performance Participation.* So long as the advisory agreement has not been terminated, the special unit holder will hold a performance participation interest in the operating partnership that entitles it to receive an allocation from our operating partnership equal to 12.5% of the Total Return, subject to a 5% Hurdle Amount and a High Water Mark, with a Catch-Up (each term as defined under “The Operating Partnership Agreement—Special Units”).

*Expense Reimbursement.* We reimburse our advisor quarterly for total operating expenses, subject to the following limitations. We generally will not reimburse our advisor for any amount by which our total operating expenses at the end of the four preceding fiscal quarters exceeds the greater of 2% of our average invested assets or 25% of our net income, unless our independent directors have determined that such excess expenses were justified based on unusual and non-recurring factors. In each case in which such a determination is made, our stockholders will receive written disclosure of the determination, together with an explanation of the factors considered in making the determination, within 60 days after the quarter in which the excess is approved. Any such determination and the reasons in support thereof will be reflected in the minutes of the meetings of the board. “Average invested assets” means the average monthly book value of our assets during a specified period before deducting depreciation, loan loss reserves or other similar non-cash reserves. “Total operating expenses” means all costs and expenses paid or incurred by us, as determined under U.S. GAAP, that are in any way related to our operation, including asset management fees and performance participation allocation, but excluding: (i) the expenses of raising capital such as organization and offering costs, legal, audit, accounting, underwriting, brokerage, listing, registration and other fees, printing and other such expenses and taxes incurred in connection with the issuance, distribution, transfer, registration and stock exchange listing of our stock; (ii) interest payments; (iii) taxes; (iv) non-cash expenses such as depreciation, amortization and bad debt reserves; (v) incentive fees; (vi) acquisition fees and acquisition expenses; (vii) real estate commission on the sale of real property; and (viii) other fees and expenses connected with the acquisition, financing, disposition, management and ownership of real estate interests, loans or other property (such as the costs of foreclosure, insurance premiums, legal services, maintenance, repair and improvement of property).

In addition, subject to other limitations on the incurrence and reimbursement of operating expenses contained in our advisory agreement, operating expenses which have been incurred and paid by our advisor will not become our obligation unless our advisor has invoiced us for reimbursement, which will occur in a quarterly statement and accrued for in the respective period. Our advisor will not invoice us for any reimbursement if the impact of such would result in us incurring an obligation in an amount that would result in our NAV per share for any class of shares to be less than \$25.00. We may, however, incur and record an obligation to reimburse our advisor, even if it would result in our NAV per share for any class of shares for such quarter to be less than \$25.00, if our board of directors determines that the reasons for the decrease of our NAV per share below \$25.00 were unrelated to our obligation to reimburse our advisor for operating expenses.

In addition, all or a portion of the operating expenses, which have not been previously paid by us or invoiced by our advisor may be in the sole discretion of our advisor (i) waived by our advisor, (ii) reimbursed to our advisor in any subsequent quarter or (iii) reimbursed to our advisor in connection with a liquidity event or termination of the advisory agreement, provided that we have fully invested the proceeds from our offerings and our stockholders have received, or are deemed to have received, in the aggregate, cumulative distributions equal to their invested capital plus a 6.0% cumulative, non-compounded annual pre-tax return on their invested capital. Any reimbursement of operating expenses remains subject to the limitations described above, including the 2%/25% limitations and the related approval requirements.

### **Investment by Our Sponsor**

Our sponsor initially invested \$200,001 in us through the purchase of 8,180 Class AX shares at \$24.45 per share. Our sponsor may not sell any of these shares during the period it serves as our sponsor. Neither our advisor nor our sponsor currently has any options or warrants to acquire any of our shares.

As of September 30, 2023, our sponsor has invested \$6,650,001 in us through the purchase of 262,262 shares (8,180 Class AX shares for an aggregate purchase price of \$200,001, 183,157 Class IX shares for an aggregate purchase price of \$4,582,280 and 70,925 Class I shares for an aggregate purchase price of \$1,867,720). 45,157 of the Class IX shares in the amount of \$1,132,280 and all of the Class I shares were purchased by our sponsor pursuant to the distribution support agreement. Our advisor, our directors and their affiliates, including our sponsor, may not vote their shares of common stock regarding: (i) the removal of any of them; or (ii) any transaction between them and us. In determining the requisite percentage in interest of shares necessary to approve a matter on which our advisor, our directors and their affiliates may not vote, any shares owned by them will not be included.

In the event the advisory agreement is terminated, the shares owned by our sponsor would not be automatically redeemed. Our sponsor would, however, be able to participate in the share repurchase program, subject to all of the restrictions of the share repurchase program applicable to all other common stockholders.

### **Certain Prior Experience**

#### ***Cantor and our Advisor***

Our advisor has a highly experienced management team of investment professionals with experience sourcing, structuring and financing commercial real estate transactions. As of December 31, 2022, affiliates of our advisor have acquired or, through various joint ventures, have invested in over 180 properties totaling approximately \$4.0 billion of value. See “—Executive Officers and Directors.”

#### ***RIT***

Our sponsor was also the sponsor of RIT. RIT’s registration statement for the initial public offering was declared effective by the SEC on May 2, 2018 and expired pursuant to its terms on May 2, 2021. RIT raised approximately \$19 million in its initial public offering and had two investments consisting of a mezzanine loan



and a preferred equity interest. On December 7, 2022, RIT's stockholders approved the assignment of its two investments, which constituted substantially all of RIT's assets (the "Asset Assignment"), to Cantor Realty Fund III, L.P. ("CRF") and a plan that contemplated the complete liquidation and dissolution of RIT following the Asset Assignment (the "Plan of Dissolution"). On December 12, 2022, RIT and CRF consummated the Asset Assignment, which resulted in net cash proceeds to RIT of approximately \$15.3 million. Pursuant to the Plan of Dissolution, RIT distributed to stockholders the net proceeds from the Asset Assignment, along with all other cash on hand after the payment of all liabilities. Stockholders received an aggregate of \$22.52 for each outstanding share of RIT's common stock, which was paid on December 19, 2022. RIT filed articles of dissolution, in accordance with the applicable provision of the Maryland General Corporation Law on December 20, 2022.

An investor who purchased Class I shares on November 9, 2018 (the date on which RIT accepted its first third-party Class I shareholder) and elected to participate in the distribution reinvestment program (the "Sample Investor") would have received distributions totaling \$7.70 per share over the approximate four-year hold period. When added to the Plan of Dissolution payment, such Sample Investor received a total return of 27.1%, which equates to an annualized rate of return of 6.0%.<sup>3</sup> Over the same period, Class A shares (without sales load) would have returned 27.1% and an annualized return of 6.0%, and Class A shares (with sales load) would have returned 20.8% and an annualized return of 4.7%. This compares favorably to the FTSE NAREIT Mortgage REIT Index, an index tracking publicly traded mortgage REITs, which delivered a total return of -15.43% and an annualized return of -3.94% over a similar time period.<sup>4</sup>

## **Other Affiliates**

### ***Our Sponsor***

Our sponsor is a Delaware limited liability company and an affiliate of Cantor.

### ***Dealer Manager***

We have retained Cantor Fitzgerald & Co., an affiliate of our advisor, to conduct this offering. Cantor Fitzgerald & Co. provides wholesaling, sales, promotional and marketing assistance services to us in connection with the distribution of the shares offered pursuant to this prospectus.

### ***Our Parent***

Our advisor's parent company, Cantor, is a diversified organization specializing in financial services and real estate for institutional customers operating in the global financial and commercial real estate markets. Over the past 70+ years, Cantor has successfully built a well-capitalized business across multiple and growing business lines with numerous market-leading financial services products and commercial real estate businesses. Cantor

<sup>3</sup> Represents performance of an investor purchasing Class I shares on the same date as the first third-party Class I share investor. Class I Shares accounted for 22% of RIT's issued and outstanding common shares and have no upfront sales load. Performance varies by share class and original investment date. Over the same period, Class T shares (without sales load) would have returned 22.3% and an annualized return of 5.0%, and Class T shares (with sales load) would have returned 19.6% and an annualized return of 4.5%. Returns shown reflect the percent change from the NAV per share from the beginning of the applicable period to liquidation proceeds per share, plus the amount of any distributions per share declared in the period. All returns shown assume reinvestment of distributions pursuant to RIT's distribution reinvestment plan.

<sup>4</sup> Represents the FTSE NAREIT Mortgage REITs Index's total and annualized return from September 30, 2018, through November 30, 2022. The FTSE NAREIT Mortgage REITs Index is a free-float adjusted, market capitalization-weighted index of U.S. Mortgage REITs. Mortgage REITs include all tax-qualified REITs with more than 50 percent of total assets invested in mortgage loans or mortgage-backed securities secured by interests in real property.

has been at the forefront of financial and technological innovation in its industries, developing new markets and providing service to thousands of customers globally. Cantor is led by a core senior management team, with significant experience in the financial services and real estate services industries. Howard W. Lutnick, Chairman and Chief Executive Officer, has been with Cantor since 1983. Mr. Lutnick controls Cantor through his ownership of its managing general partner. As of December 31, 2022, Cantor and its affiliates had over 12,000 employees located domestically and internationally.

### ***Commercial Real Estate and Asset Management***

Cantor's Commercial Real Estate and Asset Management business line consists of commercial real estate services conducted by Newmark and commercial real estate investment management conducted by our sponsor, which is an affiliate of Cantor Fitzgerald Asset Management

Newmark is a full-service commercial real estate services business that offers a diverse array of integrated services and products designed to meet the needs of both real estate investors/owners and occupiers. Newmark's investor/owner services and products include investment sales, debt and structured finance/loan sales, property management, valuation and advisory, due diligence, consulting, agency, lending and loan servicing, mortgage broking and equity-raising. Newmark's occupier services and products include tenant representation, real estate management technology systems, workplace and occupancy strategy, global corporate consulting services, project management, lease administration and facilities management. Newmark completed over \$118 billion of real estate related transactions in 2022 and as of December 31, 2022, has a \$71 billion mortgage servicing portfolio consisting of over 3,700 loans in 48 states. As a result, Newmark has relationships with many of the world's largest commercial property owners, real estate developers and investors, as well as Fortune 500 and Forbes Global 2000 companies. Newmark is an indirect subsidiary of Cantor and is listed on the NASDAQ under the symbol "NMRK."

Our sponsor was established in 2016 in order to leverage Cantor's real estate franchise, corporate and risk management infrastructure to identify, acquire and manage commercial real estate investments on behalf of investors. As of December 31, 2022, our sponsor had approximately \$4.0 billion in commercial real estate assets under management on behalf of over 8,500 investors across one public non-traded REITs, 35 private Delaware Statutory Trusts and four Qualified Opportunity Funds.

Cantor Fitzgerald Asset Management ("CFAM") provides asset management and advisory services to investors in global fixed income and equity markets primarily through the use of mutual funds, ETFs and separately management accounts. CFAM includes Cantor Fitzgerald Investment Advisors, L.P. ("CFIA"), an SEC registered investment advisor. CFIA also owns a majority stake in Smith Group Asset Management, LLC ("Smith"). CFIA had assets under management of approximately \$2.3 billion as of December 31, 2022. CFIA constructs proprietary investment strategies using lower cost, tax-efficient, liquid, and transparent ETFs offering investors diversified asset-class exposure and is also the advisor to four mutual funds. Smith is the subadvisor to one of those funds and Smith had assets under management of approximately \$1.8 billion as of December 31, 2022.

### ***Capital Markets and Investment Banking***

The capital markets and investment banking business is focused on serving institutional customers, including insurance companies, asset managers, Fortune 500 companies, middle market companies, investment advisors, regional broker-dealers, small and mid-sized banks, hedge funds, REITs and specialty investment firms. These services predominantly leverage a customer-focused, distribution-based model that provides services to customers for numerous financial instruments, including U.S. government and agency securities, mortgage-backed securities, corporate bonds, equities, exchange traded funds ("ETFs"), interest rate swaps, foreign currency exchange contracts, futures and options. Capital Markets and Investment Banking operates primarily through (i) our dealer manager which is leading independent middle market investment bank and one of 24

primary dealers permitted to trade U.S. government securities directly with the Federal Reserve Bank of New York and (ii) BGC Partners (NASDAQ: BGCP), a leading global brokerage company servicing the financial and real estate markets.

Primary services include:

- Inter-Dealer Brokerage (“**IDB**”) – IDB operates in the over-the-counter (“**OTC**”) and bond markets and acts as a counterparty and an intermediary between major dealers, facilitating inter-dealer trades. IDB specializes in a broad range of products, including fixed income securities, real estate securities, interest rate swaps, foreign exchange, equities, equity derivatives, credit derivatives, commodities, futures and structured products. IDB also provides a wide range of services, including trade execution, broker-dealer services, clearing, processing, information and other back-office services to a broad range of financial and non-financial institutional customers, including many of the world’s largest banks, broker-dealers, investment banks, trading firms, hedge funds, governments, corporations, property owners, real estate developers and investment firms.
- Debt Capital Markets (“**DCM**”) – DCM provides services in a wide array of fixed income securities and engages in U.S. government and agency securities financing activities; additionally, through its structured products group, DCM provides tailored solutions to meet its customers’ specific needs.
- Equity Capital Markets (“**ECM**”) – ECM activities include OTC and listed equities and options trading, ETFs, equity derivatives, portfolio trading and equity research.
- Investment Banking (“**Investment Banking**”) – Investment Banking is a leading provider of advisory and capital markets services to corporate and financial sponsor clients across the globe. With banking professionals across the Americas, Europe and Asia, Investment Banking leverages industry-specific expertise and regional market insight to serve the evolving needs of their clients. The deep sector knowledge of their industry coverage teams allows Cantor to provide clients with unique market insight on a full range of financing alternatives and strategic opportunities. Leveraging Cantor’s leading institutional distribution platform, their goal is to provide clients with solutions across all banking products, including initial public offerings, follow-on offerings, wall-crossed offerings, bought deals, private placements, ATMs, convertible offerings, leveraged loans, investment grade and high-yield debt offerings and all forms of advisory services.
- Cantor Prime Services (“**CPS**”) is a comprehensive brokerage service platform, which emphasizes client services, consisting of both equity and fixed income execution capabilities, and offers multiple financing options to clients. CPS also serves as a securities clearing intermediary of fixed income and equities transactions.

## MANAGEMENT COMPENSATION

Although we have executive officers who will manage our operations, we have no paid employees. Our advisor, Cantor Fitzgerald Income Advisors, LLC, and the real estate professionals at our advisor will manage our day-to-day affairs and our portfolio of investments. The following table summarizes all of the compensation and fees that we will pay to our dealer manager and our advisor and its affiliates, including amounts to reimburse their costs in providing services. Unless otherwise noted below, all of the compensation included in the table will be paid by us. Selling commissions and dealer manager fees may vary for different categories of purchasers as described under “Plan of Distribution.” This table assumes that we sell all shares at the highest possible selling commissions and dealer manager fees (with no discounts to any categories of purchasers). No selling commissions or dealer manager fees are payable on shares sold through our distribution reinvestment plan. The allocation of amounts assumes that 55%, 5%, 15% and 25% of our offering proceeds are from the sale of each of Class T, Class S, Class D and Class I shares. The number of shares of each class sold and the relative proportions in which the classes of shares are sold are uncertain and may differ significantly from what is shown in the tables below. We may reallocate the shares of our common stock we are offering between the primary offering and our distribution reinvestment plan. We will only use the proceeds raised in this offering for the purposes set forth in this prospectus and in a manner consistent with the investment guidelines approved by our board of directors, who serve as fiduciaries to our stockholders.

Type and Recipient	Description and Method of Computation <i>Organization and Offering Activities</i> <sup>(1)</sup>	Estimated Amount
<i>Upfront Selling Commissions and Dealer Manager Fees</i> <sup>(2)</sup> —our dealer manager	Our dealer manager is entitled to receive upfront selling commissions of up to 3.0%, and upfront dealer manager fees of 0.5%, of the transaction price of each Class T share sold in the primary offering, however such amounts may vary at certain participating broker-dealers provided that the sum will not exceed 3.5% of the transaction price. Our dealer manager is entitled to receive upfront selling commissions of up to 3.5% of the transaction price of each Class S share sold in the primary offering. Our dealer manager anticipates that all or a portion of the upfront selling commissions and dealer manager fees will be retained by, or reallocated (paid) to, participating broker-dealers.	The actual amount will depend on the number of Class T and Class S shares sold and the transaction price of each Class T and Class S share.  Aggregate upfront selling commissions will equal approximately \$17.6 million if we sell the maximum amount in our primary offering, and aggregate dealer manager fees will equal approximately \$2.7 million if we sell the maximum amount in our primary offering, assuming payment of the full upfront selling commissions and dealer manager fees (with a split for Class T shares of 3.0% and 0.5%, respectively), that 55%, 5%, 15% and 25% of our offering proceeds are from the sale of each of Class T, Class S, Class D and Class I shares, respectively, and that the transaction prices of our Class T and Class S shares remain constant at \$25.00.
<i>Distribution Fees</i> <sup>(3)(4)</sup> —our dealer manager	Subject to FINRA limitations on underwriting compensation, we pay our dealer manager selling commissions over time as distribution fees for ongoing services rendered to stockholders by participating broker-dealers or broker-dealers servicing investors’ accounts, referred to as servicing broker-dealers:	Actual amounts depend upon the per share NAVs of our Class T, Class S and Class D shares, the number of Class T, Class S and Class D shares purchased and when such shares are purchased. For Class T shares, the distribution fees will equal approximately \$4.7 million per annum if we sell the maximum amount. For Class S shares, the distribution fees

Type and Recipient	Description and Method of Computation	Estimated Amount
	<ul style="list-style-type: none"> <li>• with respect to our outstanding Class T shares, in an amount equal to 0.85% per annum of the aggregate NAV of our outstanding Class T shares, consisting of an advisor distribution fee of 0.65% per annum, and a dealer distribution fee of 0.20% per annum, of the aggregate NAV of our outstanding Class T shares, however, with respect to Class T shares sold through certain participating broker-dealers, the advisor distribution fee and the dealer distribution fee may be other amounts, provided that the sum of such fees will always equal 0.85% per annum of the NAV of such shares;</li> <li>• with respect to our outstanding Class S shares, in an amount equal to up to 0.85% per annum of the aggregate NAV of our outstanding Class S shares; and</li> <li>• with respect to our outstanding Class D shares, in an amount equal to up to 0.25% per annum of the aggregate NAV of our outstanding Class D shares.</li> </ul>	<p>will equal approximately \$0.4 million per annum if we sell the maximum amount. For Class D shares, the distribution fees will equal approximately \$0.4 million per annum if we sell the maximum amount. In each case, we are assuming that, in our primary offering, 55%, 5%, 15% and 25% of our offering proceeds are from the sale of each of Class T, Class S, Class D and Class I shares and the transaction prices of our Class T, Class S and Class D shares remain constant at \$25.00 and none of our stockholders participate in our distribution reinvestment plan.</p>

We do not pay a distribution fee with respect to our outstanding Class I shares.

The distribution fees are paid monthly in arrears. Our dealer manager realloves (pays) all or a portion of the distribution fees to participating broker-dealers and servicing broker-dealers for ongoing stockholder services performed by such broker-dealers. Because the distribution fees are calculated based on our NAV for our Class T, Class S and Class D shares, they will reduce the NAV or, alternatively, the distributions payable, with respect to the shares of each such class, including shares issued under our distribution reinvestment plan.

We will cease paying the distribution fee with respect to any Class T share, Class S share or Class D share held in a stockholder's account at the end of the month in which our dealer manager in conjunction with the transfer agent determines that total upfront selling

Type and Recipient	Description and Method of Computation	Estimated Amount
	<p>commissions, dealer manager fees and distribution fees paid with respect to the shares held by such stockholder within such account would exceed, in the aggregate, 8.75% (or, in the case of Class T shares sold through certain participating broker-dealers, a lower limit as set forth in the applicable agreement between the dealer manager and a participating broker-dealer at the time such Class T shares were issued) of the gross proceeds from the sale of such shares (including the gross proceeds of any shares issued under our distribution reinvestment plan with respect thereto). At the end of such month, each such Class T share, Class S share or Class D share will convert into a number of Class I shares (including any fractional shares), with an equivalent aggregate NAV as such share. Although we cannot predict the length of time over which the distribution fee will be paid due to potential changes in the NAV of our shares, this fee would be paid with respect to a Class T share (in the case of a limit of 8.75% of gross proceeds) or Class S share over approximately 6.18 years from the date of purchase and with respect to a Class D share over approximately 35 years from the date of purchase, assuming payment of the full upfront selling commissions and dealer manager fees, opting out of the distribution reinvestment plan and a constant NAV of \$25.00 per share. Under these assumptions, if a stockholder holds his or her shares for these time periods, this fee with respect to a Class T share or Class S share would total approximately \$1.31 and with respect to a Class D share would total approximately \$2.19.</p>	
	<p>In addition, we will cease paying the distribution fee on the Class T shares, Class S shares and Class D shares on the earlier to occur of the following: (i) a listing of Class I shares, (ii) our merger or consolidation with and into another entity, or the sale or other disposition of all or substantially all of our assets or (iii) the date following the completion of the primary portion of this offering on which,</p>	



Type and Recipient	Description and Method of Computation	Estimated Amount
<p><i>Organization and Offering Expense Reimbursement<sup>(2),(4)</sup>—our advisor</i></p>	<p>in the aggregate, underwriting compensation from all sources in connection with this offering, including upfront selling commissions, the distribution fee and other underwriting compensation, is equal to 10% of the gross proceeds from our primary offering.</p>	<p>We estimate the reimbursement for our organization and offering expenses (excluding upfront selling commissions, dealer manager fees and distribution fees) to be approximately \$10.0 million if we sell the maximum offering amount.</p>
	<p>We will reimburse our advisor and its affiliates for organization and offering costs it incurs on our behalf but only to the extent that the reimbursement does not cause the selling commissions, the dealer manager fees and the other organization and offering expenses borne by us to exceed 15.0% of gross offering proceeds of this offering as of the date of the reimbursement. If we raise the maximum offering amount in the primary offering and under the distribution reinvestment plan, we estimate organization and offering expenses (other than selling commissions and the dealer manager fee), in the aggregate, to be \$10,000,000.</p>	
	<p>These organization and offering costs include all costs (other than selling commissions, the dealer manager fees and distribution fees) to be paid by us in connection with the offering, including our legal, accounting, printing, mailing and filing fees, charges of our transfer agent, charges of our advisor for administrative services related to the issuance of shares in this offering, reimbursement of bona fide due diligence expenses of broker-dealers, and reimbursement of our advisor for costs in connection with preparing supplemental sales materials.</p>	
	<p>In connection with our initial public offering, our advisor has agreed to pay all of our organization and offering expenses on our behalf (other than selling commissions and dealer manager) through May 18, 2018.</p>	
	<p>We began reimbursing our advisor for such costs ratably over the 36 months following May 18, 2018; provided that we will not be obligated to pay any amounts that as a result of such payment would cause the aggregate payments for organization and offering costs paid by the advisor to exceed</p>	

Type and Recipient	Description and Method of Computation	Estimated Amount
<i>Acquisition Expenses<sup>(5)(6)</sup>—our advisor</i>	<p>1% of gross offering proceeds from our public offerings as of such payment date. After May 18, 2018, our advisor, in its sole discretion, may pay some or all of the additional organization and offering costs incurred, but is not required to do so. To the extent our advisor pays such additional organization and offering costs, we will be obligated to reimburse the advisor subject to the 1% cap described above.</p> <p style="text-align: center;"><b><i>Investment Activities</i></b></p> <p>We do not intend to pay our advisor any acquisition, financing (except as outlined below) or other similar fees in connection with making investments. We will, however, reimburse our advisor for out-of-pocket expenses in connection with the selection, evaluation, structuring, acquisition, origination, financing and development of properties and real estate-related securities, whether or not such investments are acquired, and make payments to third parties or certain of our advisor’s affiliates in connection with making investments as described in “—Fees for Other Services” below.</p>	Not determinable at this time
<i>Asset Management Fee and Expense Reimbursement—our advisor</i>	<p style="text-align: center;"><b><i>Operational Activities</i></b></p> <p>We pay our advisor an asset management fee equal to 1.20% of NAV per annum payable monthly. The asset management fee may be paid, at the advisor’s election, in cash, Class I shares or Class I operating partnership units. If our advisor elects to receive any portion of its management fee in Class I shares or Class I operating partnership units, we may repurchase such Class I shares or Class I operating partnership units from the advisor at a later date. Repurchases of any of our Class I shares or Class I operating partnership units that were received by our advisor in lieu of a cash asset management fee are not subject to the monthly and quarterly volume limitations or the 5% holding discount under our share repurchase program, and such sales receive priority over other shares being put for repurchase during such period. Notwithstanding the foregoing, we have adopted a policy in</p>	<p>Actual amounts of the asset management fee depend upon our aggregate NAV. The asset management fee attributed to the shares sold in this offering will equal approximately \$11.8 million per annum if we sell the maximum amount in our primary offering, assuming that the NAV per share of our Class S, Class T, Class D and Class I shares remains constant at \$25.00 and before giving effect to any shares issued under our distribution reinvestment plan.</p>

Type and Recipient	Description and Method of Computation	Estimated Amount
	<p>which a majority of independent directors must approve repurchase requests submitted by our advisor that when combined with any stockholder repurchase requests would cause us to exceed the 2% monthly or 5% quarterly limitations on repurchases. As part of such approval, a majority of independent directors must determine that the repurchase will not impair our capital or operations and be consistent with the fiduciary duties of our directors. The operating partnership will repurchase any such operating partnership units for cash unless our board of directors determines that any such repurchase for cash would be prohibited by applicable law or our charter, in which case such operating partnership units will be repurchased for shares of our common stock with an equivalent aggregate NAV. Our advisor and the special unit holder will have the option of exchanging Class I shares for a number of Class T shares, Class S shares or Class D shares with an equivalent aggregate NAV and will have registration rights with respect to shares of our common stock.</p>	
	<p>In addition to the organization and offering expense and acquisition expense reimbursements described above, we will reimburse our advisor, subject to certain limitations contained in our charter and the advisory agreement, for out-of-pocket costs and expenses it incurs in connection with the services it provides to us, including, but not limited to, (1) the actual cost of goods and services used by us and obtained from third parties, including fees paid to administrators, consultants, attorneys, technology providers and other service providers, and brokerage fees paid in connection with the purchase and sale of investments and securities, and (2) expenses of managing and operating our properties, whether payable to an affiliate or a non-affiliated person.</p>	
	<p>We generally will not reimburse our advisor for any amount by which our total operating expenses at the end of the four preceding fiscal quarters exceeds the</p>	

Type and Recipient	Description and Method of Computation	Estimated Amount
	<p>greater of (i) 2% of average invested assets (as defined in our advisory agreement) and (ii) 25% of net income other than any additions to reserves for depreciation, bad debts or other similar non-cash reserves and excluding any gain from the sale of investments for that period. After the end of any fiscal quarter for which our total operating expenses exceed this 2%/25% limitation for the four fiscal quarters then ended, if our independent directors exercise their right to conclude that this excess was justified, this fact will be disclosed in writing to the holders of our shares of common stock within 60 days. If our independent directors do not determine such excess expenses are justified, our advisor is required to reimburse us, at the end of the four preceding fiscal quarters, by the amount that our aggregate annual total operating expenses paid or incurred exceed this 2%/25% limitation.</p>	
	<p>In addition, subject to other limitations on the incurrence and reimbursement of operating expenses contained in our advisory agreement, operating expenses which have been incurred and paid by our advisor will not become our obligation unless our advisor has invoiced us for reimbursement, which will occur in a quarterly statement and accrued for in the respective period. Our advisor will not invoice us for any reimbursement if the impact of such would result in us incurring an obligation in an amount that would result in our NAV per share for any class of shares to be less than \$25.00. We may, however, incur and record an obligation to reimburse our advisor, even if it would result in our NAV per share for any class of shares for such quarter to be less than \$25.00, if our board of directors determines that the reasons for the decrease of our NAV per share below \$25.00 were unrelated to our obligation to reimburse our advisor for operating expenses.</p>	
	<p>In addition, all or a portion of the operating expenses, which have not been previously paid by us or invoiced by our advisor may be in the sole discretion of our advisor (i)</p>	

Type and Recipient	Description and Method of Computation	Estimated Amount
<p><i>Performance Participation Allocation—special unit holder</i></p>	<p>waived by our advisor, (ii) reimbursed to our advisor in any subsequent quarter or (iii) reimbursed to our advisor in connection with a liquidity event or termination of the advisory agreement, provided that we have fully invested the proceeds from our offerings and our stockholders have received, or are deemed to have received, in the aggregate, cumulative distributions equal to their invested capital plus a 6.0% cumulative, non-compounded annual pre-tax return on their invested capital. Any reimbursement of operating expenses remains subject to the limitations described above, including the 2%/25% limitations and the related approval requirements. See “Management—The Advisory Agreement—Management Fee, Performance Participation and Expense Reimbursements.”</p> <p>As long as our advisory agreement has not been terminated (including by means of non-renewal), the special unit holder will be entitled to a performance participation interest in our operating partnership that entitles it to receive an allocation from our operating partnership equal to 12.5% of the Total Return, subject to a 5% Hurdle Amount and a High Water Mark, with a Catch-Up. Such allocation will be made annually and accrue monthly.</p> <p>Specifically, the special unit holder will be allocated a performance participation in an amount equal to:</p> <ul style="list-style-type: none"> <li>• <i>First</i>, if the Total Return for the applicable period exceeds the sum of (i) the Hurdle Amount for that period and (ii) the Loss Carryforward Amount (any such excess, Excess Profits), 100% of such annual Excess Profits until the total amount allocated to the special unit holder equals 12.5% of the sum of (x) the Hurdle Amount for that period and (y) any amount allocated to the special unit holder pursuant to this clause (this is commonly referred to as a Catch-Up); and</li> </ul>	<p>Actual amounts of the performance participation allocation depend upon our operating partnership’s actual annual Total Return and, therefore, cannot be calculated at this time.</p>

Type and Recipient	Description and Method of Computation	Estimated Amount
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- *Second*, to the extent there are remaining Excess Profits, 12.5% of such remaining Excess Profits.

Total Return for any period since the end of the prior calendar year shall equal the sum of:

- (i) all distributions accrued or paid (without duplication) on the operating partnership units outstanding at the end of such period since the beginning of the then-current calendar year, *plus*
- (ii) the change in aggregate NAV of such units since the beginning of the year, before giving effect to (x) changes resulting solely from the proceeds of issuances of operating partnership units, (y) any allocation/accrual to the performance participation interest and (z) applicable distribution fee expenses (including any payments made to us for payment of such expenses).

For the avoidance of doubt, the calculation of Total Return will (i) include any appreciation or depreciation in the NAV of units issued during the then-current calendar year but (ii) exclude the proceeds from the initial issuance of such units. In addition, with respect to a year in which we complete a liquidity event, for purposes of determining the Total Return, any change in the aggregate NAV of the operating partnership units will be deemed to equal the difference between the aggregate NAV of the operating partnership units outstanding at the beginning of the year and the aggregate value of such units determined in connection with such liquidity event. With respect to the first year in which the Second Amended and Restated Advisory Agreement was in effect, for purposes of determining Total Return, any change in the aggregate NAV was deemed to equal the difference between the aggregate NAV of the operating partnership units as of July 31, 2020 and the aggregate NAV of such units at the end of such calendar year.



Type and Recipient	Description and Method of Computation	Estimated Amount
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Hurdle Amount for any period during a calendar year means that amount that results in a 5% annualized internal rate of return on the NAV of the operating partnership units outstanding at the beginning of the then-current calendar year and all operating partnership units issued since the beginning of the then-current calendar year, taking into account the timing and amount of all distributions accrued or paid (without duplication) on all such units and all issuances of operating partnership units over the period. The ending NAV of the operating partnership units used in calculating the internal rate of return will be calculated before giving effect to any allocation/accrual to the performance participation interest and applicable distribution fee expenses. For the avoidance of doubt, the calculation of the Hurdle Amount for any period will exclude any operating partnership units repurchased during such period, which units will be subject to the performance participation allocation upon repurchase as described below. With respect to the first year in which the Second Amended and Restated Advisory Agreement was in effect, the beginning NAV of the operating partnership units used in calculating the internal rate of return was deemed to equal the aggregate NAV of the operating partnership units as of July 31, 2020.

Except as described in Loss Carryforward below, any amount by which Total Return falls below the Hurdle Amount will not be carried forward to subsequent periods.

The special unit holder will also be allocated a performance participation with respect to all operating partnership units that are repurchased at the end of any month (in connection with repurchases of our shares in our share repurchase program) in an amount calculated as described above with the relevant period being the portion of the year for which such unit was outstanding, and proceeds for any such unit repurchase will be reduced by the amount of any such performance participation.

Type and Recipient	Description and Method of Computation	Estimated Amount
<i>Fees for Other Services— Affiliates of our advisor</i>	<p>Distributions on the performance participation interest may be payable in cash or Class I operating partnership units at the election of the special unit holder. If the special unit holder elects to receive such distributions in operating partnership units, then the special unit holder may request the operating partnership to repurchase such operating partnership units from the special unit holder at a later date. Any such repurchase requests will not be subject to the 5% holding discount under our share repurchase program but will be subject to the monthly and quarterly volume limitations that exist under our share repurchase program.</p> <p>The operating partnership will repurchase any such operating partnership units for cash unless our board of directors determines that any such repurchase for cash would be prohibited by applicable law or our charter, in which case such operating partnership units will be repurchased for shares of our common stock with an equivalent aggregate NAV.</p> <p>See “The Operating Partnership Agreement—Special Units.”</p> <p>We may retain certain of our advisor’s affiliates, from time to time, for services relating to our investments or our operations, which may include accounting and audit services, account management services, corporate secretarial services, data management services, directorship services, information technology services, finance/budget services, human resources, judicial processes, legal services, operational services, risk management services, tax services, treasury services, loan management services, construction management services, property management services, leasing services, loan origination services, debt servicing, brokerage services, transaction support services (which may consist of assembling relevant information with respect to investment acquisitions and dispositions, conducting financial and market analyses, coordinating closing and post-closing</p>	<p>Actual amounts depend on whether affiliates of our advisor are actually engaged to perform such services.</p>

Type and Recipient	Description and Method of Computation	Estimated Amount
<i>Reimbursement of Certain Initial Public Offering Expenses—our sponsor</i>	<p>procedures, coordinating of design and development works, coordinating with brokers, lawyers, accountants and other advisors, assisting with due diligence, site visits and other services), transaction consulting services and other similar operational matters. Any fees paid to our advisor’s affiliates for any such services will not reduce the asset management fee. Any such arrangements will be at market rates.</p> <p>Our sponsor has paid a portion of selling commissions and all of the dealer manager fees, up to a total of 4% of gross offering proceeds from the sale of Class A shares, Class T shares and Class I shares in our initial public offering. We will reimburse such expenses (i) immediately prior to or upon the occurrence of a liquidity event, including (A) the listing of our common stock on a national securities exchange or (B) a merger, consolidation or sale of substantially all of our assets or any similar transaction or any transaction pursuant to which a majority of our board of directors then in office are replaced or removed, or (ii) upon the termination of the advisory agreement by us or by the advisor. In each such case, we only will reimburse the sponsor after (i) we have fully invested the proceeds from our initial public offering and (ii) our initial public offering stockholders have received, or are deemed to have received, in the aggregate, cumulative distributions equal to their invested capital plus a 6% cumulative, non-compounded annual pre-tax return on such invested capital.</p>	\$5.4 million
	<p>(1) Upfront selling commissions and dealer manager fees for sales of Class T and Class S shares may be reduced or waived in connection with volume or other discounts, other fee arrangements or for sales to certain categories of purchasers. See “Plan of Distribution—Underwriting Compensation—Upfront Selling Commissions and Dealer Manager Fees.”</p> <p>(2) We also will cease paying distribution fees at the date following the completion of the primary portion of this offering at which total underwriting compensation from any source in connection with this offering equals 10% of the gross proceeds from our primary offering (i.e., excluding proceeds from sales pursuant to our distribution reinvestment plan). This limitation is intended to ensure that we satisfy the FINRA requirement that total underwriting compensation paid in connection with this offering does not exceed 10% of the gross proceeds of our primary offering.</p> <p>(3) In calculating our distribution fee, we will use our NAV before giving effect to accruals for the distribution fee or distributions payable on our shares.</p>	

- (4) These amounts represent estimated expenses incurred in connection with our organization and this offering. Under no circumstances may our total organization and offering expenses (including upfront selling commissions, dealer manager fees, distribution fees and due diligence expenses) exceed 15% of the gross proceeds from this offering. Any organization and offering expenses that are deemed underwriting expenses will be subject to the FINRA requirement that total underwriting compensation paid in connection with the offering does not exceed 10% of the gross proceeds of our primary offering.
- (5) We will pay all expenses incurred in connection with the acquisition of our investments, including legal and accounting fees and expenses, brokerage commissions payable to unaffiliated third parties, travel expenses, costs of appraisals (including independent appraisals), nonrefundable option payments on property not acquired, engineering, due diligence, transaction support services, title insurance and other expenses related to the selection and acquisition of investments, whether or not acquired. While most of the acquisition expenses are expected to be paid to third parties, a portion of the out-of-pocket acquisition expenses may be paid or reimbursed to our advisor or its affiliates. Our charter also limits the amount of acquisition fees and expenses we can incur to a total of 6% of the contract purchase price for the asset or, in the case of debt that we originate, 6% of the funds advanced. This limit may only be exceeded if a majority of our board of directors (including a majority of our independent directors) not otherwise interested in the transaction approves the fees and expenses and finds the transaction to be commercially competitive, fair and reasonable to us.
- (6) In calculating our asset management fee, we will use our before giving effect to accruals for the asset management fee, performance participation allocation, distribution fees or distributions payable on our shares.

Our Total Operating Expenses, including any performance participation allocation made to the special unit holder with respect to its performance participation interest in the operating partnership, will be limited during any four fiscal quarters to the greater of (a) 2.0% of our Average Invested Assets and (b) 25.0% of our Net Income. This limit may be exceeded only if our independent directors have made a finding that, based on such unusual and non-recurring factors as they deem sufficient, a higher level of expenses is justified, and such finding is recorded in the minutes of a meeting of the independent directors. For purposes of these limits:

- Total Operating Expenses are all costs and expenses paid or incurred by us, as determined under generally accepted accounting principles, including the asset management fee and the performance participation allocation, but excluding: (i) the expenses of raising capital such as organization and offering expenses, legal, audit, accounting, underwriting, brokerage, listing, registration and other fees, printing and other such expenses and taxes incurred in connection with the issuance, distribution, transfer, registration and listing of our capital stock, (ii) property-level expenses incurred at each property, (iii) interest payments, (iv) taxes, (v) non-cash expenditures such as depreciation, amortization and bad debt reserves, (vi) incentive fees paid in compliance with our charter, (vii) acquisition fees and acquisition expenses related to the selection and acquisition of assets, whether or not a property is actually acquired, (viii) real estate commissions on the sale of property and (ix) other fees and expenses connected with the acquisition, disposition, management and ownership of real estate interests, mortgage loans or other property (including the costs of foreclosure, insurance premiums, legal services, maintenance, repair and improvement of property).
- Average Invested Assets means, for any period, the average of the aggregate book value of our assets, invested, directly or indirectly, in equity interests in and loans secured by real estate, including all properties, mortgages and real estate-related securities and consolidated and unconsolidated joint ventures or other partnerships, before deducting depreciation, amortization, impairments, bad debt reserves or other non-cash reserves, computed by taking the average of such values at the end of each month during such period.
- Net Income means, for any period, total revenues applicable to such period, less the total expenses applicable to such period other than additions to, or allowances for, non-cash charges such as depreciation, amortization, impairments and reserves for bad debt or other similar non-cash reserves.

See “Management—The Advisory Agreement—Management Fee, Performance Participation and Expense Reimbursements.

### Performance Participation Allocation Example

The following example illustrates how we would calculate our special unit holder’s performance participation allocation at the end of the year based on the assumptions set forth in rows A through E of the table below. All amounts are with respect to the units outstanding at the end of the year. Actual results may differ materially from the following example.

A.	Beginning NAV	\$1,000,000,000
B.	Loss Carryforward Amount	—
C.	Net proceeds from new issuances	—
D.	Distributions paid (in twelve equal monthly installments)	\$ 40,000,000
E.	Change in NAV required to meet 5% annualized internal rate of return <sup>(1)</sup>	\$ 9,091,408
F.	Hurdle Amount(1) (D plus E)	\$ 49,091,408
G.	Actual change in NAV	\$ 20,000,000
H.	Annual Total Return prior to performance participation allocation (D plus G)	\$ 60,000,000
I.	Excess Proceeds (H minus the sum of B and F)	\$ 10,908,592
J.	Performance participation allocation is equal to 12.5% of annual Total Return (H) because the annual Total Return exceeds the Hurdle Rate (F) plus loss carryforward account balance (B) with enough Excess Proceeds (I) to achieve the full Catch-Up	\$ 7,500,000

(1) The Hurdle Amount for any period is that amount that results in a 5% annualized internal rate of return on the NAV of the units outstanding at the end of the period. An internal rate of return reflects the timing and amount of all distributions accrued or paid (without duplication) and any issuances of such units during the period. Internal rate of return is a metric used in business and asset management to measure the profitability of an investment, and is calculated according to a standard formula that determines the total return provided by gains on an investment over time.

The following table summarizes the fees and expenses incurred by us and paid to our advisor and its affiliates and our dealer manager (in connection with our initial public offering) for the three-month ended September 30, 2023:

Type of Fee or Reimbursement	Financial Statement Location	Due to related parties as of December 31, 2022	Nine months ended September 30, 2023		Due to related parties as of September 30, 2023
			Incurred	Paid	
<i>Management Fees</i>					
Asset management fees	Management Fees	\$ 399,962	\$3,590,045	\$3,223,370	\$ 766,637
Property management and oversight fees	Management fees	78,981	1,725,628	1,704,150	100,459
<i>Organization, Offering and Operating Expense Reimbursements</i>					
Operating expenses <sup>(1)</sup>	General and administrative expenses	5,504,855	4,040,832	5,300,602	4,245,085
Expense reimbursement <sup>(2)</sup>	Cash and cash equivalent	33,000	354,887	—	387,887

<u>Type of Fee or Reimbursement</u>	<u>Financial Statement Location</u>	<u>Due to related parties as of December 31, 2022</u>	<u>Nine months ended September 30, 2023</u>		<u>Due to related parties as of September 30, 2023</u>
			<u>Incurred</u>	<u>Paid</u>	
Offering costs <sup>(3)</sup> . . . . .	Additional paid-in capital	61,210	166,453	227,663	—
<i>Commissions and Fees</i>					
Selling commissions and dealer manager fees, net . . . . .	Additional paid-in capital	—	258,763	258,763	—
Distribution fees <sup>(3)</sup> . . . . .	Additional paid-in capital	115,960	225,087	338,998	2,049
<i>Investment Funding</i>					
Distribution due <sup>(5)</sup> . . . . .	Additional paid-in capital	202,430	—	—	202,430
Application fee reimbursement <sup>(6)</sup> . . . . .	Additional paid-in capital	100,000	—	—	100,000
<b>Total</b> . . . . .		<b><u>\$6,496,398</u></b>	<b><u>\$10,361,695</u></b>	<b><u>\$11,053,546</u></b>	<b><u>\$5,804,547</u></b>

Note:

- (1) As of September 30, 2023, our advisor has incurred, on our behalf, a total of \$13,397,316 in unreimbursed operating expenses, including a total of \$2,758,860 for the nine months ended September 30, 2023 for which our advisor has not invoiced us for reimbursement. The total amount of unreimbursed operating expenses may, in future periods, be subject to reimbursement by us pursuant to the terms of the advisory agreement. For the year ended December 31, 2022, our advisor received a total of \$5,202,441 in asset management fees and expense reimbursements, which constitutes 1.28% of our NAV as of December 31, 2022. The expense reimbursements relate to employee total compensation, including salary, bonus and employee benefits (medical insurance, 401K contribution and disability insurance), and other employee related overhead, including payroll taxes and office equipment and technology, as allocated based on the proportionate amount of time spent on the Company's matters.
- (2) Reflects funding from CFI and affiliates of CFI to cover overdraft fees in connection with the Summerfield Property, the Fisher Road Property, and the Keller Springs Property. Also reflects a tax reimbursement owed to affiliates of CFI in connection with the West End Property.
- (3) As of September 30, 2023, our advisor has incurred, on our behalf, a total of \$13,437,380 of organization and offering expenses, of which our current obligation is limited to \$0, pursuant to the 1% Cap.
- (4) The incurred amount reflects the change in accrual.
- (5) Reflects distribution amount owed by us to the CF Keller Holdings, LLC.
- (6) Reflects amount owed to our sponsor from us in relation to the loan application deposit for ON3 Property.



The following table summarizes the above mentioned fees and expenses incurred by us for the year ended December 31, 2022:

Type of Fee or Reimbursement	Financial Statement Location	Due to related parties as of December 31, 2021	Year ended December 31, 2022		Due to related parties as of December 31, 2022
			Incurred	Paid	
<i>Management Fees</i>					
Asset management fees . . . . .	Management Fees	\$ 223,602	\$ 3,920,430	\$3,744,070	\$ 399,962
Property management and oversight fees . . . . .	Management fees	63,873	1,770,083	1,754,975	78,981
<i>Organization, Offering and Operating Expense Reimbursements</i>					
Operating expenses <sup>(1)</sup> . . . . .	General and administrative expenses	1,234,253	4,270,602	—	5,504,855
Expense reimbursement <sup>(2)</sup> . . . . .	Cash and cash equivalent	—	33,000	—	33,000
Organization expenses <sup>(3)</sup> . . . . .	General and administrative expenses	—	—	—	—
Admin Fees <sup>(4)</sup> . . . . .	General and administrative expenses	18,000	—	18,000	—
Offering costs <sup>(3)</sup> . . . . .	Additional paid-in capital	100,391	1,497,285	1,536,466	61,210
<i>Commissions and Fees</i>					
Selling commissions and dealer manager fees, net . . . . .	Additional paid-in capital	—	629,797	629,797	—
Distribution fees <sup>(3)</sup> . . . . .	Additional paid-in capital	267,284	299,497	450,821	115,960
<i>Investment Funding</i>					
Distribution due <sup>(5)</sup> . . . . .	Additional paid-in capital	202,430	—	—	202,430
Application fee reimbursement <sup>(6)</sup> . . . . .	Additional paid-in capital	—	100,000	—	100,000
<b>Total</b> . . . . .		<b>\$2,109,833</b>	<b>\$12,502,694</b>	<b>\$8,116,129</b>	<b>\$6,496,398</b>

Note:

- (1) As of December 31, 2022, our advisor has incurred, on our behalf, a total of \$15,939,058 in unreimbursed operating expenses, including a total of \$3,210,813 for the year ended December 31, 2022 for which our advisor has not invoiced us for reimbursement. The total amount of unreimbursed operating expenses may, in future periods, be subject to reimbursement by us pursuant to the terms of the advisory agreement. The amount of asset management fee plus the amount of expense reimbursements paid to our advisor for the year ended December 31, 2022, was 1.7% of our NAV as of such date.
- (2) Reflects funding from CFI and affiliates of CFI to cover overdraft fees in connection with the Summerfield Property, the Fisher Road Property, and the ON3 Property.
- (3) As of December 31, 2022, our advisor has incurred, on our behalf, a total of \$12,613,362 of organization and offering expenses, of which our current obligation is limited to \$61,210, pursuant to the 1% limitation.
- (4) The incurred amount reflects the change in accrual.
- (5) Reflects distribution amount owed by us to the CF Keller Holdings, LLC.
- (6) Reflects amount owed to our sponsor from us in relation to the loan application deposit for ON3 Property.

## STOCK OWNERSHIP

The following table shows, as of September 30, 2023, the amount of our common stock beneficially owned (unless otherwise indicated) by (1) any person who is known by us to be the beneficial owner of more than 5% of the outstanding shares of our common stock, (2) our directors, (3) our executive officers, and (4) all of our directors and executive officers as a group.

<u>Name and Address of Beneficial Owner</u>	<u>Number of shares Beneficially Owned</u>	<u>Percentage</u>
Cantor Fitzgerald Investors, LLC <sup>(1)(2)</sup> . . . . .	262,262	1.79%
Howard W. Lutnick, Chairman of the Board of Directors and Chief Executive Officer <sup>(1)(2)</sup> . . . . .	262,262	1.79%
Christopher A. Milner, President* . . . . .	111	*
Paul M. Pion, Director, Chief Financial Officer and Treasurer . . . . .	—	—
John C. Griffin** . . . . .	—	—
Arthur F. Backal, Independent Director . . . . .	—	—
John M. Matteson, Independent Director . . . . .	—	—
Dean Palin, Independent Director . . . . .	—	—
All directors and executive officers as a group . . . . .	262,373	1.79%

\* Less than 1%.

\*\* Mr. Griffin had retired from his position of director and chief financial officer of our company effective as of April 2023.

(1) The address of this beneficial owner is c/o Cantor Fitzgerald Income Trust, Inc. 110 E. 59th Street, New York, NY 10022.

(2) Cantor Fitzgerald Investors, LLC is indirectly owned by Cantor Fitzgerald, L.P. CF Group Management, Inc. is the managing general partner of Cantor Fitzgerald, L.P. Mr. Lutnick controls Cantor Fitzgerald, L.P. through his ownership of CF Group Management, Inc.

## CONFLICTS OF INTEREST

Our advisor faces conflicts of interest relating to performing services on our behalf and such conflicts may not be resolved in our favor, meaning that we could acquire less attractive assets, which could limit our ability to make distributions and reduce your overall investment return. 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 advisor is an indirect subsidiary of Cantor and is organized to provide asset management and other services to us. Cantor controls, BGC, Newmark and a number of other financial services businesses, including our dealer manager.

We rely on the investment professionals of our advisor and certain of its affiliates to identify suitable investment opportunities for our company. Our investment strategy may overlap with some of the strategies of other Cantor Companies. Although Newmark does not currently acquire properties or interests in real estate properties, through its Berkeley Point business, it originates multifamily loans distributed through the GSE programs of Fannie Mae and Freddie Mac, as well as through HUD programs. In addition, in the course of Newmark's business, it may generate fees from the referral of loan opportunities to third parties. However, both lines of business are affiliates and under common control with our sponsor. Newmark and its subsidiaries are not restricted from competing with our business, whether by originating or acquiring loans that might be suitable for origination or acquisition by us, or by referring loan opportunities to third parties in exchange for fees. Newmark is not required to refer any such opportunities to us. Investment opportunities sourced by the investment professionals of Newmark or any other Cantor Company not controlled by our sponsor, to the extent not pursued by such company, will be allocated by such company in its sole discretion. Investment opportunities sourced by the investment professionals of our sponsor will be allocated as described below under the heading "—Allocation of Investment Opportunities" The investment professionals responsible for sourcing investments for the sponsor are generally different than the investment professionals responsible for sourcing investments for other Cantor Companies and to the extent there is overlap, such investment professionals will first present suitable opportunities to our sponsor.

### **Our Affiliates' Interests in Our Sponsor and Its Affiliates**

#### **General**

Our executive officers and certain of our directors are also officers, directors and managers of our advisor and its affiliates and in some cases, other Cantor Companies. These persons may have legal obligations with respect to those entities that are similar to their obligations to us. Other Cantor Companies, including, but not limited to Newmark, may be involved in other real estate-related programs and acquire for their own account real estate-related investments that may be suitable for us. Our directors and affiliates are not restricted from engaging for their own account in business activities of the type conducted by us. In addition, our sponsor may grant equity interests in our advisor and the special unit holder to certain personnel performing services for our advisor and our dealer manager.

#### **Allocation of Our Affiliates' Time**

We rely on key executive officers and employees of our advisor and its affiliates, including Messrs. Lutnick, Milner and Pion for the day-to-day operation of our business. Messrs. Lutnick, Milner and Pion are also executive officers of other Cantor Companies. As a result of their interests in other Cantor Companies, their obligations to other investors and the fact that they engage in and they will continue to engage in other business activities on behalf of themselves and others, Messrs. Lutnick, Milner and Pion face conflicts of interest in allocating their time among us, our advisor and other Cantor Companies and other business activities in which they are involved. However, we believe that our advisor and its affiliates have sufficient resources and personnel to fully discharge their responsibilities to us.

### **Receipt of Fees and Other Compensation by our Advisor and its Affiliates**

Our advisor and its affiliates will receive substantial fees from us, which fees will not be negotiated at arm's length. These fees could influence our advisor's advice to us as well as the judgment of the personnel of the advisor and its affiliates who perform services for us. Among other matters, these compensation arrangements could affect their judgment with respect to:

- the continuation, renewal or enforcement of our agreements with our advisor and its affiliates, including our advisory agreement and the dealer manager agreement;
- public offerings of equity by us, which entitle our dealer manager to dealer manager fees and will likely entitle our advisor to increased asset management fees;
- originations of loans and acquisitions of investments at higher purchase prices, which entitle our advisor to higher asset management fees regardless of the quality or performance of the investment or loan and, in the case of acquisitions of investments from other Cantor Companies, might entitle affiliates of our advisor to disposition fees in connection with services for the seller;
- borrowings up to or in excess of our stated borrowing policy to originate and acquire investments, which borrowings will increase the asset management fees payable to our advisor;
- whether and when we seek to list our common stock on a national securities exchange;
- whether we seek to internalize our management, which may entail acquiring assets (such as office space, furnishings and technology costs) and other key professionals of our sponsor who are performing services for us on behalf of our advisor for consideration that would be negotiated at that time and may result in these professionals receiving more compensation from us than they currently receive from our sponsor; and
- whether and when we seek to sell our company or its assets.

Additionally, after the termination of our primary offering, our advisor has agreed to reimburse us to the extent total organization and offering costs borne by us exceed 15% of the gross proceeds raised in our offering. As a result, our advisor may decide to extend our offering to avoid or delay the reimbursement of these expenses. See "Management Compensation."

### **Affiliated Dealer Manager**

Since our dealer manager is an affiliate of our advisor and our sponsor, you will not have the benefit of an independent due diligence review and investigation of the type normally performed by an independent dealer manager in connection with our offering of securities. See "Plan of Distribution."

Our dealer manager may seek to raise capital through public offerings conducted concurrently with our offering. For example, our dealer manager served as the dealer manager for the initial public offering of RIT, a non-traded REIT sponsored by our sponsor and formed to originate mortgage and mezzanine loans secured primarily by commercial real estate and other real-estate related assets. In addition, our dealer manager has and may continue to serve as the dealer manager for other private placement offerings for affiliates of our advisor. As a result, our dealer manager may face conflicts of interest arising from potential competition with other programs for investors and investment capital.

### **Certain Conflict Resolution Measures**

In order to reduce or eliminate certain potential conflicts of interest, our charter contains restrictions and conflict resolution procedures relating to transactions we enter into with our sponsor, our advisor, our directors or their respective affiliates. In addition to these charter provisions, our board of directors has also adopted a conflicts of interest policy, which provides additional limitations, consistent with our charter, on our ability to enter these

types of transactions in order to further reduce the potential for conflicts inherent in transactions with affiliates. The following describes these restrictions and conflict resolution procedures in our charter and in our conflicts of interest policy.

### **Charter Provisions and Other Policies Relating to Conflicts of Interest**

**Advisor Compensation.** Our independent directors will determine from time-to-time, but at least annually, that our total fees and expenses are reasonable in light of our investment performance, net assets, net income and the fees and expenses of other comparable unaffiliated REITs. In addition, our independent directors will evaluate at least annually whether the compensation that we contract to pay to our advisor and its affiliates is reasonable in relation to the nature and quality of services performed and whether such compensation is within the limits prescribed by the charter. Our independent directors will supervise the performance of our advisor and its affiliates and the compensation we pay to them to determine whether the provisions of our advisory agreement are being carried out. This evaluation will be based on the following factors as well as any other factors they deem relevant:

- the amount of the fees and any other compensation, including equity-based compensation, paid to our advisor and its affiliates in relation to the size, composition and performance of the assets;
- the success of our advisor in generating appropriate investment opportunities;
- the rates charged to other companies, including other REITs, by advisors performing similar services;
- additional revenues realized by our advisor and its affiliates through their relationship with us, including whether we pay them or they are paid by others with whom we do business;
- the quality and extent of service and advice furnished by our advisor and its affiliates;
- the performance of our investment portfolio; and
- the quality of our portfolio relative to the investments generated by our advisor and its affiliates for their own account and for their other clients.

The findings of our board of directors with respect to these evaluations will be recorded in the minutes of the meetings of our board of directors.

Under our charter, we can only pay our advisor or one of its affiliates a disposition fee in connection with the sale of an investment, including partial sales and syndications, if it provides a substantial amount of the services in the effort to sell the investment, as determined by a majority of our independent directors and the commission does not exceed up to 3% of the contract sales price of the property. Moreover, our charter also provides that the commission, when added to all other disposition fees paid to unaffiliated parties in connection with the sale, may not exceed the lesser of a competitive real estate commission or 6% of the sales price of the property. We do not intend to sell or lease assets to our sponsor, our advisor, any of our directors or any of their affiliates. However, if we do sell an asset to an affiliate, our organizational documents would not prohibit us from paying our advisor a disposition fee. Before we sold or leased an asset to our sponsor, our advisor, any of our directors or any of their affiliates, our charter would require that a majority of our board of directors, including a majority of our independent directors, not otherwise interested in the transaction, conclude that the transaction is fair and reasonable to us and on terms and conditions no less favorable to us than those available from unaffiliated third parties.

Our charter also limits the amount of acquisition fees and expenses we can incur to a total of 6% of the contract purchase price for the asset or, in the case of debt that we originate, 6% of the funds advanced. This limit may only be exceeded if a majority of our board of directors (including a majority of our independent directors) not otherwise interested in the transaction approves the fees and expenses and finds the transaction to be commercially competitive, fair and reasonable to us.

**Term of Advisory Agreement.** Each contract for the services of our advisor may not exceed one year, although there is no limit on the number of times that we may retain a particular advisor. Our charter provides that a

majority of our independent directors may terminate our advisory agreement with our advisor without cause or penalty on 60 days' written notice. Our advisor may terminate our advisory agreement with or without good reason on 60 days' written notice. Upon termination of the advisory agreement, our sponsor may be entitled to the reimbursement of the selling commissions paid on our behalf in connection with our initial public offering. See "Management Compensation."

***Our Acquisitions.*** We will not purchase or lease assets in which our sponsor, our advisor, any of our directors or any of their affiliates has an interest without a determination by a majority of our board of directors (including a majority of our independent directors) not otherwise interested in the transaction that such transaction is fair and reasonable to us and at a price to us no greater than the cost of the asset to our sponsor, our advisor, our director or the affiliated seller or lessor, unless there is substantial justification for the excess amount and such excess is reasonable. In no event may we acquire any such asset at an amount in excess of its current appraised value. Our charter provides that the consideration we pay for real property will ordinarily be based on the fair market value of the property. In cases in which a majority of the independent directors on the board of directors or such duly authorized committee so determine, and in all cases in which real property is acquired from our sponsor, our advisor, any of our directors or any of their affiliates, the fair market value shall be determined by an independent appraiser selected by our independent directors not otherwise interested in the transaction.

***Mortgage Loans Involving Affiliates.*** Our charter prohibits us from investing in or making loans in which the borrower is our sponsor, our advisor, our directors or any of their affiliates, except for loans to wholly owned subsidiaries and mortgage loans for which an independent appraiser appraises the underlying property. We must keep the appraisal for at least five years and make it available for inspection and duplication by any of our stockholders. In addition, a mortgagee's or owner's title insurance policy or commitment as to the priority of the mortgage or the condition of the title must be obtained. Our charter prohibits us from making or investing in any mortgage loans that are subordinate to any mortgage or equity interest of our sponsor, our advisor, our directors or any of our affiliates. We currently anticipate that our independent directors will establish criteria and parameters for certain affiliated mortgage loan transactions. If such criteria and parameters are established and approved by our independent directors, our independent directors may determine to pre-approve mortgage transactions with affiliates satisfying such criteria and parameters.

***Joint Ventures or Participations with Affiliates of the Advisor.*** Subject to approval by our board of directors and the separate approval of our independent directors, we may enter into joint ventures, participations or other arrangements with affiliates of our advisor to acquire debt and other investments. In conjunction with such prospective agreements, our advisor and its affiliates may have conflicts of interest in determining which of such entities should enter into any particular agreements. Our affiliated partners may have economic or business interests or goals which are or that may become inconsistent with our business interests or goals. In addition, should any such arrangements be consummated, our advisor may face a conflict in structuring the terms of the relationship between our interests and the interest of the affiliated partner, in managing the arrangement and in resolving any conflicts or exercising any rights in connection with the arrangements. Since our advisor will make various decisions on our behalf, agreements and transactions between our advisor's affiliates and us as partners with respect to any such venture will not have the benefit of arm's length negotiations of the type normally conducted between unrelated parties. Our advisor or its affiliates may receive various fees for providing services to the joint venture, including but not limited to an asset management fee, with respect to the proportionate interest in the properties held by our joint venture partners. In evaluating investments and other management strategies, the opportunity to earn these fees may lead our advisor to place undue emphasis on criteria relating to its compensation at the expense of other criteria, such as preservation of capital, in order to achieve higher short-term compensation. We may enter into ventures with our sponsor, our advisor, our directors or any of their affiliates for the acquisition of investments or co-investments, but only if: (i) a majority of our directors, including a majority of the independent directors, not otherwise interested in the transaction approve the transaction as being fair and reasonable to us; and (ii) the investment by us and our sponsor, our advisor, such directors or such affiliate are on terms and conditions that are no less favorable than those that would be available



to unaffiliated parties. If we enter into a joint venture with any of our affiliates, the fees payable to our advisor by us would be based on our share of the investment.

***Other Transactions Involving Affiliates.*** A majority of our board of directors, including a majority of our independent directors, not otherwise interested in the transaction must conclude that all other transactions between us and our sponsor, our advisor, any of our 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.

***Lack of Separate Representation.*** Greenberg Traurig, LLP has acted as special U.S. federal income tax counsel to us in connection with our offering and is counsel to us, our operating partnership, our dealer manager and our advisor in connection with our offering and may in the future act as counsel for each such company. Greenberg Traurig, LLP also may in the future serve as counsel to certain affiliates of our advisor in matters unrelated to our offering. There is a possibility that in the future the interests of the various parties may become adverse. In the event that a dispute were to arise between us, our operating partnership, our dealer manager, our advisor, or any of their affiliates, separate counsel for such parties would be retained as and when appropriate.

***Limitation on Operating Expenses.*** We reimburse our advisor quarterly for total operating expenses, subject to the following limitations. We generally will not reimburse our advisor for any amount by which our total operating expenses at the end of the four preceding fiscal quarters exceeds the greater of 2% of our average invested assets or 25% of our net income, unless our independent directors have determined that such excess expenses were justified based on unusual and non-recurring factors. In each case in which such a determination is made, our stockholders will receive written disclosure of the determination, together with an explanation of the factors considered in making the determination, within 60 days after the quarter in which the excess is approved. Any such determination and the reasons in support thereof will be reflected in the minutes of the meetings of the board. "Average invested assets" means the average monthly book value of our assets during a specified period before deducting depreciation, loan loss reserves or other similar non-cash reserves. "Total operating expenses" means all costs and expenses paid or incurred by us, as determined under U.S. GAAP, that are in any way related to our operation, including asset management fees, but excluding: (i) the expenses of raising capital such as organization and offering costs, legal, audit, accounting, underwriting, brokerage, listing, registration and other fees, printing and other such expenses and taxes incurred in connection with the issuance, distribution, transfer, registration and stock exchange listing of our stock; (ii) interest payments; (iii) taxes; (iv) non-cash expenses such as depreciation, amortization and bad debt reserves; (v) incentive fees; (vi) acquisition fees and acquisition expenses; (vii) real estate commission on the sale of real property; and (viii) other fees and expenses connected with the acquisition, financing, disposition, management and ownership of real estate interests, loans or other property (such as the costs of foreclosure, insurance premiums, legal services, maintenance, repair and improvement of property).

In addition, subject to other limitations on the incurrence and reimbursement of operating expenses contained in our advisory agreement, operating expenses which have been incurred and paid by our advisor will not become our obligation unless our advisor has invoiced us for reimbursement, which will occur in a quarterly statement and accrued for in the respective period. Our advisor will not invoice us for any reimbursement if the impact of such would result in us incurring an obligation in an amount that would result in our NAV per share for any class of shares to be less than \$25.00. We may, however, incur and record an obligation to reimburse our advisor, even if it would result in our NAV per share for any class of shares for such quarter to be less than \$25.00, if our board of directors determines that the reasons for the decrease of our NAV per share below \$25.00 were unrelated to our obligation to reimburse our advisor for operating expenses.

In addition, all or a portion of the operating expenses, which have not been previously paid by us or invoiced by our advisor may be in the sole discretion of our advisor (i) waived by our advisor, (ii) reimbursed to our advisor in any subsequent quarter or (iii) reimbursed to our advisor in connection with a liquidity event or termination of the advisory agreement, provided that we have fully invested the proceeds from our offerings and our stockholders have received, or are deemed to have received, in the aggregate, cumulative distributions equal to

their invested capital plus a 6.0% cumulative, non-compounded annual pre-tax return on their invested capital. Any reimbursement of operating expenses remains subject to the limitations described above, including the 2%/25% limitations and the related approval requirements.

**Issuance of Options and Warrants to Certain Affiliates.** We will not issue options or warrants to purchase our common stock to our advisor, our directors, our sponsor or any of their affiliates, except on the same terms as such options or warrants are sold to the general public. We may issue options or warrants to persons other than our advisor, our directors, our sponsor and their affiliates, but not at an exercise price less than the fair market value of the underlying securities on the date of grant and not for consideration (which may include services) that in the judgment of our board of directors has a market value less than the value of such option or warrant on the date of grant. Any options or warrants we issue to our advisor, our directors, our sponsor or any of their affiliates shall not exceed an amount equal to 10% of the outstanding shares of our common stock on the date of grant.

**Repurchase of Our Shares.** Our charter prohibits us from paying a fee to our sponsor, our advisor or our directors or any of their affiliates in connection with our repurchase of our common stock.

**Loans.** We will not make any loans to our sponsor, our advisor, any of our directors or any of their affiliates unless the loans are mortgage loans and an appraisal is obtained from an independent appraiser concerning the underlying property or unless the loans are to one of our wholly owned subsidiaries. In addition, we will not borrow from our sponsor, our advisor, any of our directors or any of their affiliates unless a majority of our board of directors (including a majority of independent directors) not otherwise interested in such transaction approves the transaction as being fair, competitive and commercially reasonable and no less favorable to us than comparable loans between unaffiliated parties. These restrictions on loans only apply to advances of cash that are commonly viewed as loans, as determined by our board of directors. 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 directors or officers or our advisor or its affiliates.

**Reports to Stockholders.** Our charter requires that we prepare an annual report and deliver it to our common stockholders within 120 days after the end of each fiscal year. Our board of directors is required to take reasonable steps to ensure that the annual report complies with our charter provisions. Among the matters that must be included in the annual report or included in a proxy statement delivered with the annual report are:

- financial statements prepared in accordance with U.S. GAAP that are audited and reported on by independent certified public accountants;
- the ratio of the costs of raising capital during the year to the capital raised;
- the aggregate amount of advisory fees and the aggregate amount of other fees paid to our advisor and any affiliates of our advisor by us or third parties doing business with us during the year;
- our total operating expenses for the year stated as a percentage of our average invested assets and as a percentage of our net income;
- a report from our independent directors that our policies are in the best interests of our common stockholders and the basis for such determination; and
- a separately stated, full disclosure of all material terms, factors and circumstances surrounding any and all transactions involving us and our advisor, a director or any affiliate thereof during the year, which disclosure has been examined and commented upon in the report by our independent directors with regard to the fairness of such transactions.

**Voting of Shares Owned by Affiliates.** Our advisor, our directors and their affiliates may not vote their shares of common stock regarding: (i) the removal of any of them; or (ii) any transaction between them and us. In determining the requisite percentage in interest of shares necessary to approve a matter on which our advisor, our directors and their affiliates may not vote, any shares owned by them will not be included.

***Allocation of Investment Opportunities.*** We rely on the investment professionals of our advisor and certain of its affiliates to identify suitable investment opportunities for our company. In the future our sponsor will likely sponsor other public and private entities (together with our company, the “Sponsored Programs”) with overlapping investment strategies. If our sponsor identifies an investment opportunity which it determines to meet the investment strategy of more than one Sponsored Program, our sponsor will allocate the investment opportunity in the following manner:

- The sponsor will first present the investment opportunity to the applicable public Sponsored Program, for which the longest amount of time has passed since its last acquisition.
- If such Sponsored Program does not desire to pursue such investment opportunity, the investment opportunity will be presented to the next applicable public Sponsored Program based on the amount of time since its last acquisition.
- In certain circumstances the sponsor may present the investment opportunity to more than one public Sponsored Program as a co-investment. The terms of any co-investment are subject to the approval of the audit committee of each such Sponsored Program.
- If no public Sponsored Programs deem the investment opportunity appropriate, the sponsor will allocate the opportunity to a private Sponsored Program.

A number of factors may be taken into account by the sponsor when determining if an investment opportunity is appropriate for a public Sponsored Program including, without limitation, the following:

- cash requirements;
- effect of the investment on the diversification of the portfolio, including by geography, size of investment, type of investment and risk of investment;
- leverage policy and the availability of financing for the investment by each entity;
- anticipated cash flow of the asset to be acquired;
- income tax effects of the purchase;
- the size of the investment;
- the amount of funds available;
- cost of capital;
- risk return profiles;
- targeted distribution rates;
- anticipated future pipeline of suitable investments; and
- the expected holding period of the investment and the remaining term of the purchasing entity, if applicable.

Our advisor will be required to provide information to our board of directors to enable our board of directors, including the independent directors, to determine whether procedures regarding the allocation of investment opportunities are being fairly applied.

***Corporate Opportunities.*** Our board of directors has adopted a resolution that provides, subject to certain exceptions, that none of the Cantor Companies or their respective affiliates, our directors or any person our directors control will be required to refrain directly or indirectly from engaging in any business opportunities, including any business opportunities in the same or similar business activities or lines of business in which we or any of our affiliates may from time to time be engaged or propose to engage, or from competing with us, and that we renounce any interest or expectancy in, or in being offered an opportunity to participate in, any such business opportunities, unless offered to a person solely in his or her capacity as one of our directors or officers and intended exclusively for us or any of our subsidiaries.

## INVESTMENT OBJECTIVES AND STRATEGY

### Investment Objectives

Our investment objectives are to invest in high-quality real estate that will enable us to:

- preserve and protect your capital investment;
- provide current income in the form of regular cash distributions; and
- realize potential growth in the value of our investments.

We cannot assure you that we will achieve our investment objectives. See the “Risk Factors” section of this prospectus.

### Investment Strategy

Prior to commencement of this offering, our investment strategy was focused primarily on the acquisition of single-tenant net leased commercial properties located in the United States, United Kingdom and other European countries, as well as origination and investment in loans related to net leased commercial properties. Our current investment strategy is described below.

Through its affiliation with Cantor, the advisor acquires, manages and sells properties in our portfolio on our behalf, subject to the supervision and oversight of our board of directors. Founded in 1945, Cantor is a diversified global organization specializing in financial services and in real estate for institutional customers operating in the global financial and commercial real estate markets. Our investment strategy seeks to capitalize on our affiliation with Cantor’s industry leading commercial real estate platform, industry relationships and investment sourcing and underwriting capabilities in pursuit of our investment strategy.

Our investment strategy is to acquire a diversified portfolio of income-producing commercial real-estate and debt secured by commercial real estate located primarily in the United States. Our real estate portfolio may include multifamily, office, industrial and necessity retail assets, as well as other property types, including, without limitation, medical office, student housing, senior living, data centers, hotel and storage properties. Our real estate-related debt investments will focus on first mortgage, subordinated mortgage and mezzanine loans, participations in such loans and other forms of debt secured by or related to the foregoing types of commercial real estate. While our investment strategy is primarily United States focused, to a lesser extent we may acquire properties, and debt investments secured by properties, outside of the United States on a selective basis with a focus on investments located in Europe and North America. We believe international investments may bring an additional level of diversification to our portfolio. We may also invest in real estate-related securities to provide current income and a source of liquidity for our share repurchase plan, cash management and other purposes.

### Our Strengths

We believe our primary competitive strength is our affiliation with Cantor, which we believe provides us with unique insight and in-depth knowledge of global financial and real estate markets and local real estate dynamics. Cantor and its affiliates have more than 160 offices. Our affiliation with Cantor provides us with unique insight and in-depth knowledge of global financial markets and local real estate dynamics. In addition, we believe our advisor’s affiliation with Newmark will provide us with access to potential investment opportunities, many of which we believe will not be available to our competitors. We believe our long-term success in executing our investment strategy will be supported by Cantor’s potential competitive strengths, which include:

**Extensive Real Estate Expertise**—Our advisor possesses a unique combination of real estate investment and capital markets expertise. The management team of our advisor has collectively acquired, originated, structured and/or managed billions of dollars of commercial real estate investments consistent with our investment strategy

and over numerous real estate cycles. As of December 31, 2022, Cantor and its affiliates' commercial real estate assets under management total approximately \$4.0 billion. In addition, we believe our advisor's affiliation with Newmark provides us with unique insight into local real estate dynamics. Newmark is a full-service commercial real estate services business with approximately 160 offices around the world, an approximately \$71 billion servicing portfolio as of December 31, 2022, and completed \$118 billion of investment sales and debt transaction volume in 2022. Further, Newmark publishes proprietary research on various real estate property types, markets, overall outlooks and industry trends affecting real estate.

**Extensive Capital Markets Expertise**—Cantor believes that its capital markets expertise is a core competency that sets it apart from other real estate investors. Its investment professionals constantly evaluate the relative value of risk/return dynamics within the capital stack of any given real estate transaction. The team also considers capital markets inefficiencies to capture potential arbitrage opportunities. Further, the in-house capital markets team utilizes its network of lending relationships and years of lending experience to obtain best-in-market terms and pricing. In 2022, Cantor and its affiliates closed over \$46 billion of lending transactions.

**Significant Sourcing Capabilities**—Our advisor is led by an experienced management team of investment professionals who possess longstanding relationships with commercial real estate industry participants providing a deep sourcing network for new investment opportunities. Additionally, through our advisor, we can draw on Newmark's extensive network of real estate owners, developers, investors and tenants. We believe this combination will provide us with an ongoing source of investment opportunities, many of which we believe will not be available to our competitors.

**Disciplined Investment Approach**—Cantor relies on consistent processes and a culture of risk management when making investment decisions. Cantor utilizes a centralized operational model designed to take advantage of intellectual capital and real-time information from across the firm. This centralized model encourages high levels of interaction among investment professionals across various real estate, legal, finance and asset management functions from the inception of a transaction to closing. This professional collaboration helps identify potential issues early and enables the team to more effectively streamline resources and workflows.

**Operational Expertise**—Our advisor's dedicated real estate asset management team seeks to maximize asset values through proactive management including operational efficiencies, execution of capital management projects and cost controls among other strategies.

**Experienced Management Team**—Our advisor is managed by an experienced team of investment professionals with institutional real estate and finance experience at major financial institutions. Members of this management team have led teams of global investment professionals in executing transactions consistent with our investment strategy. See "Management—The Advisor" for biographical information regarding these individuals.

### **Investment Guidelines and Portfolio Allocation Targets**

Our board of directors has adopted investment guidelines for investing in our targeted property types and certain investment policies, which are described in more detail below. Our board may revise our investment policies, which we describe in more detail below, without the approval of our stockholders. Our independent directors will review our investment policies at least annually to determine whether our policies are in the best interests of our stockholders. Our charter requires that the independent directors include the basis for this determination in our minutes and in an annual report delivered to our stockholders. Any material changes to our investment policies will be disclosed in our next required periodic report following the approval of such changes by our board of directors. Our funds will be invested in accordance with our charter, which will place numerous limitations on us with respect to the manner in which we may invest (see "—Investment Limitations"). Our investment guidelines delegate to the advisor authority to execute acquisitions and dispositions of investments in properties and real estate-related debt, in each case so long as such acquisitions and dispositions are consistent with the investment guidelines adopted by our board of directors. Our board of directors will at all times have oversight over our



investments and may change from time to time the scope of authority delegated to our advisor with respect to acquisition and disposition transactions. In addition, under our investment guidelines our board of directors is required to approve any single transaction that would increase our assets under management by the lesser of 10% or \$100 million. A majority of our board of directors will periodically determine that the consideration paid for property we acquire will ordinarily be based on the fair market value of the property. If a majority of our independent directors determines, or if the property is acquired from the advisor, a director, Cantor or any of their affiliates, such fair market value shall be determined by a qualified independent appraiser selected by our independent directors.

We will seek to invest: (a) at least 80% of our assets in properties and real estate-related debt; and (b) up to 20% of our assets in real estate-related securities. Notwithstanding the foregoing, the actual percentage of our portfolio that is invested in each investment type may from time to time be outside the target levels provided above due to factors such as, our advisor's assessment of the relative attractiveness of opportunities, or an increase in anticipated cash requirements or repurchase requests and subject to any limitations or requirements relating to our intention to be treated as a REIT for U.S. federal income tax purposes and our exclusion from regulation under the Investment Company Act. We do not designate specific geography or sector allocations for the portfolio; rather we intend to invest in regions or asset classes where we see the best opportunities that support our investment objectives.

### **Identification of Investments**

Our advisor has, and expects to continue to have, a significant volume of deal flow consistent with our investment objectives. Our advisor is led by an experienced management team of investment professionals who possess longstanding relationships with commercial real estate industry participants. Additionally, through our advisor, we can draw on Newmark's industry expertise. We expect the combination of Newmark's sourcing capabilities along with the experience and relationships of our advisor's and its affiliates' personnel, will provide us with an ongoing source of investment opportunities, many of which we believe will not be available to our competitors.

### **Investments in Properties and Real Estate Related Debt**

To execute our investment strategy, we intend to invest primarily in income-producing commercial and multifamily real estate. Our portfolio principally will be comprised of properties located in the United States but may also include investments outside of the United States on a selective basis with a focus on North America and Europe. Property types may include multifamily, office, industrial and necessity retail assets, as well as other property types, including, without limitation, medical office, student housing, senior living, data centers, hotel, and storage properties. Properties may be leased to a single tenant or multiple tenants. A portion of the properties that we acquire will require some amount of capital investment in order to be renovated or repositioned. We generally will limit investment in new developments on a standalone. We may consider development that is ancillary to an overall investment or "build-to-suit" development projects for tenants who enter into long-term leases with us prior to our commencing the development project.

We intend to invest in or originate debt related to commercial real estate. Our real estate-related debt investments may include first mortgage, subordinated mortgage and mezzanine loans, as well as participations in such loans and other debt secured by or relating to the types of commercial real estate described above. An allocation of our overall portfolio to real estate-related debt may allow us to add sources of income and further diversify our portfolio. The type of real estate-related debt investments we will seek to acquire will be obligations backed principally by real estate of the type that generally meets our criteria for direct investment. Mortgage loans are typically secured by multifamily or commercial property and are subject to risks of delinquency and foreclosure. The ability of a borrower to repay a loan secured by an income-producing property typically is dependent primarily upon the successful operation of such property rather than upon the existence of independent income or assets of the borrower. Mezzanine loans may take the form of subordinated loans secured by a pledge of the



ownership interests of either the entity owning the real property or an entity that owns (directly or indirectly) the interest in the entity owning the real property. These types of investments may involve a higher degree of risk than mortgage lending because the investment may become unsecured because of foreclosure by the senior lender. We do not intend to make loans to other persons or to engage in the purchase and sale of any types of investments other than those related to real estate.

### ***Ownership Interests***

We intend to primarily purchase the entire equity ownership in the properties we acquire and will exercise control over such properties. We may also enter into joint ventures, partnerships, or other participation agreements with other investors, including affiliates of the advisor for the acquisition of certain properties.

We generally will acquire fee simple interests for the properties (in which we own both the land and the buildings improvements), but may also invest in leased fee and leasehold interests if we believe the investment is consistent with our investment strategy and objectives.

### ***Joint Venture Investments and Other Co-Ownership Arrangements***

We may enter into joint ventures, partnerships and other co-ownership arrangements (including preferred equity investments) or participations for the purpose of making investments. In determining whether to invest in a particular joint venture, our advisor will evaluate the assets that such joint venture owns or is being formed to own under the same criteria described elsewhere in this prospectus for the selection of our investments.

Our advisor will also evaluate the potential joint venture partner as to its financial condition, operating capabilities and integrity. We may enter into joint ventures with third parties and affiliates, however, we may only enter into joint ventures with our advisor, any of our directors or any of their affiliates if a majority of the board of directors (including a majority of our independent directors) not otherwise interested in the transaction concludes that the transaction is fair and reasonable to us and determines that our investment is on terms substantially similar to the terms of third parties making comparable investments.

We have not established the specific terms we will require in the joint venture agreements we may enter into. Instead, we will establish the terms with respect to any particular joint venture agreement on a case-by-case basis after we have considered all of the facts that are relevant, such as the nature and attributes of our other potential joint venture partners, the proposed structure of the joint venture, the nature of the operations, the liabilities and assets associated with the proposed joint venture and the size of our interest when compared to the interests owned by other partners in the venture. With respect to any joint venture we enter, we expect to consider the following types of concerns and safeguards:

- Our ability to manage and control the joint venture. — We will consider whether we should obtain certain approval rights in joint ventures we do not control. For proposed joint ventures in which we are to share control with another entity, we will consider the procedures to address decisions in the event of an impasse.
- Our ability to exit a joint venture. — We consider requiring buy/sell rights, redemption rights or forced liquidation rights.
- Our ability to control transfers of interests held by other partners to the venture. — We will consider requiring consent provisions, a right of first refusal and/or forced redemption rights in connection with transfers.

### ***Due Diligence***

Our advisor has developed a disciplined investment approach that combines the experience of its team of real estate professionals with a structure that emphasizes thorough market research, stringent underwriting standards

and a robust risk analysis. Comprehensive underwriting and due diligence of potential investments includes but is not limited to the following focus areas:

- **Market Analysis.** An analysis of the market and submarket in which the property is located will be conducted. Areas of consideration include; comparable sale and lease transactions, area demographics, employment trends, population trends, as well as supply and demand dynamics.
- **Financial Due Diligence and Modeling.** A preliminary review of each investment opportunity will be conducted in order to screen the attractiveness of each transaction. The preliminary review is followed by an initial projection based on macro- and micro-economic analyses. Projection assumptions generally are developed from analysis of historical operating performance, discussions with local real estate professionals or sector experts, a review of published market research and data from any other assets we or our advisor may own in the area. If the advisor deems appropriate, further due diligence will be conducted, as described below.
- **Physical Due Diligence.** An analysis of environmental and engineering matters will be prepared by third-party consultants. Conclusions from such consultants, as reflected in their environmental and engineering reports, will be incorporated into the financial projection analysis regarding such opportunity. Additionally, the advisor will investigate each investment opportunity in the context of comparable properties to assess relative market position, functionality and obsolescence.
- **Books and Records.** The advisor's in-house personnel or third-party consultants, as deemed necessary, will review relevant books and records, confirm cash flow information and conduct other similar types of analysis.
- **Legal and Tax Due Diligence.** The advisor will work closely with outside counsel to review diligence materials and to negotiate applicable legal and property specific documents pertaining to any investment opportunity (e.g., loan documents, leases, management agreements, purchase contracts, etc.). Additionally, the advisor will work with internal and external tax advisors to structure investments in an efficient manner.

When conducting due diligence, the advisor's relationship with Cantor and Newmark enhances its judgment throughout the underwriting process. These investment platforms provide the advisor with critical on-the-ground and real-time intelligence that augments its investment analysis.

The advisor will not move forward on an investment if it does not satisfy our investment criteria.

### ***Disposition Strategies***

We will maintain the flexibility required to pursue a number of different exit strategies for our investments, including: the sale of an individual asset, the sale of our entire portfolio or the sale of an operating platform. We generally acquire assets with an expectation of holding them for 7-10 years.

When determining whether to sell a particular asset, our advisor will take the following steps:

- **Evaluate Condition of the Property.** Evaluate whether the asset is in the appropriate condition for a successful sale.
- **Monitor Market Conditions.** Monitor the markets to identify favorable conditions for asset sales.
- **Assess Returns from the Property.** Assess the returns from each investment to determine whether the expected sale price exceeds the net present value of the projected cash flows of the property.
- **Evaluate Status of Business Plan.** Evaluate whether it has successfully completed the value creation plan that was established at acquisition.

We believe that holding our target assets for a long period of time will enable us to execute our business plan, generate favorable cash-on-cash returns and drive long-term cash flow and NAV growth.

Generally, we will reinvest proceeds from the sale, financing or disposition of properties in a manner consistent with our investment strategy, although we may be required to distribute such proceeds to the stockholders in order to comply with REIT requirements.

### **Investments in Real Estate-Related Securities**

We may selectively acquire and hold real estate-related securities. Our real estate-related securities investments may allow us to maintain appropriate liquidity levels in order to satisfy monthly repurchase requests under our share repurchase plan and may serve as a cash management strategy before investing offering proceeds into longer-term real estate assets.

Our real estate-related securities investments will focus on the common and preferred stock of publicly traded REITs and other real estate companies. Subject to the percentage of ownership limitations and gross income and asset requirements required for REIT qualification, we will invest in equity securities of companies engaged in the real estate sector where such investment would be consistent with our investment policies and our status as a REIT. In any event, we do not intend that our investments in securities will require us to register as an investment company under the Investment Company Act, and we intend to generally divest appropriate securities before any such registration would be required. We may also invest, without limitation, in securities that are unregistered (but are eligible for purchase and sale by certain qualified institutional buyers) or are held by control persons of the issuer and securities that are subject to contractual restrictions on their resale. However, we may only invest in equity securities if a majority of our directors, including a majority of the independent directors, not otherwise interested in the transaction approves such investment as being fair, competitive and commercially reasonable. Equity securities in the real estate sector include those issued by REITs and similar tax transparent entities; real estate operating companies (or REOCs) and other real estate related companies that, as their primary business, own, develop, operate or finance real estate in the United States.

Equity securities issued by REITs, REOCs and other real estate related companies include any stapled security or any issued security of an equity nature of a unit trust company that derives the majority of its earnings from real estate activities. REOCs and other real estate related companies in which we invest typically will either have at least 50% of their assets in real estate or related operations or derive at least 50% of their revenues from such sources. Our real estate equity securities portfolio may consist of securities investments of different types of REITs, such as equity or mortgage REITs. Equity REITs buy real estate and pay investors from the rents they receive and from any profits on the sale of their properties. Mortgage REITs lend money to real estate owners and or companies and pay investors from the interest they receive on those loans. Hybrid REITs engage in owning real estate and making real estate-based loans. While we expect that our real estate-related securities portfolio will be invested primarily in equity REITs, in changing market conditions we may invest more significantly in other types of REITs. We may also acquire exchange-traded funds and mutual funds focused on REITs and real estate companies.

Subject to the limitations described above and as part of our real estate-related investment strategy, we may invest in CMBS and RMBS and other residential credit. CMBS may include multi-issuer CMBS, and single-issuer CMBS in each case, relating to real estate-related companies or assets. In a typical multi-issuer CMBS issuance, one or more mortgage loans of varying size, asset type (including, but not limited to, office, retail, multifamily, hospitality, industrial and single-family rental), and geography are pooled and transferred to a trust. The trust then issues a series of bonds that vary in duration, payment priority and yield. Then rating agencies (such as Moody's, S&P or Fitch) assign credit ratings to the various bond classes ranging from investment grade to below investment grade. In a typical RMBS issuance, residential mortgages of varying size and geographic location are pooled and transferred to a trust. The trust then issues a series of bonds that vary in duration, payment priority, and yield. Then rating agencies (such as Moody's, S&P or Fitch) assign credit ratings to the various bond classes ranging from investment grade to below investment grade.

### ***Investment Process for Real Estate-Related Securities***

The following is a brief summary of certain key aspects of the real estate-related securities investment process our advisor expects to generally utilize:

- ***Fundamental Analysis.*** The advisor expects to utilize an asset-by-asset valuation approach to evaluate potential investments with a focus on underlying cash flow projections, replacement costs and market-by-market supply/demand trends.
- ***Disciplined Investment Approach.*** The advisor expects to employ conservative underwriting and rigorous due diligence with respect to each investment while carefully assessing the impact of certain potential downside scenarios.
- ***Leverage Proprietary Knowledge and Relationships.*** The advisor expects to utilize the knowledge, relationships and expertise of the existing Cantor operating team to evaluate the sponsorship and collateral of potential investments.

### **Cash, Cash Equivalents and Other Short-Term Investments**

We hold cash, cash equivalents and other short-term investments. These types of investments may include the following, to the extent consistent with our intended qualification as a REIT:

- money market instruments, cash and other cash equivalents (such as high-quality short-term debt instruments, including commercial paper, certificates of deposit, bankers' acceptances, repurchase agreements, interest-bearing time deposits and credit rated corporate debt securities);
- U.S. government or government agency securities; and
- Credit-rated corporate debt or asset-backed securities of U.S. or foreign entities, or credit-rated debt securities of foreign governments or multi-national organizations.

### **Other Investments**

Although we expect that most of our investments will be of the types described above, we may make other investments in real estate related assets that we believe are in our best interests. Although we can purchase any type of real estate related assets, our charter does limit certain types of investments. See “— Investment Limitations.”

### **Issuing Securities for Property**

Subject to limitations contained in our charter, we may issue, or cause to be issued, shares of our stock or limited partnership units in our operating partnership in any manner (and on such terms and for such consideration) in exchange for real estate or real-estate related assets or securities. Our existing stockholders have no preemptive rights to purchase any such shares of our stock or limited partnership units, and any such issuance might cause a dilution of a stockholder's initial investment. We may enter into additional contractual arrangements with contributors of property under which we would agree to repurchase a contributor's units for shares of our common stock or cash, at the option of the contributor, at specified times. Although we may enter into such transactions, we do not currently intend to do so.

### **Borrowing Policies**

We intend to use financial leverage to provide additional funds to support our investment activities. This allows us to make more investments than would otherwise be possible, resulting in a broader portfolio. We may borrow at the corporate or asset level. We, through the subsidiaries we form to make investments, generally will seek to borrow on a non-recourse basis, in amounts that we believe will maximize the return to our stockholders.

The use of non-recourse financing may allow us to improve returns to our stockholders and to limit our exposure on any investment to the amount invested. Non-recourse indebtedness means the indebtedness of the borrower or its subsidiaries that is secured only by the assets to which such indebtedness relates without recourse to the borrower or any of its subsidiaries, other than in case of customary carve-outs for which the borrower or its affiliates acts as guarantor in connection with such indebtedness, such as fraud, misappropriation, misapplication of funds, environmental conditions and material misrepresentation. Since non-recourse financing generally restricts the lender's claim on the assets of the borrower, the lender generally may only take back the asset securing the debt, which protects our other assets. In some cases, particularly with respect to non-U.S. investments, the lenders may require that they have recourse to other assets owned by a subsidiary borrower, in addition to the asset securing the debt. Such recourse generally would not extend to assets of our other subsidiaries.

We expect that once we have fully invested the proceeds of this offering, our debt financing and other liabilities will be approximately 60% of the cost of our tangible assets (before deducting depreciation or other non-cash reserves), although it may exceed this level during our offering stage. There is no limitation on the amount we may borrow for any single investment. Our charter limits our borrowing to 300% of our net assets (which approximates 75% of the cost of our assets) unless any excess borrowing is approved by a majority of our independent directors and is disclosed to our stockholders in our next quarterly report along with justification for the excess. As of September 30, 2023, our debt to tangible assets ratio was 49%.

It is expected that, by operating on a leveraged basis, we will have more funds available and, therefore, will make more investments and be in a better position to improve the returns to our stockholders than would otherwise be possible without such leverage. This is expected to result in a more diversified portfolio. Our advisor will use its best efforts to obtain financing on the most favorable terms available to us.

We may refinance properties or defease loans during the term of a loan when a decline in interest rates makes it profitable to prepay an existing loan, when an existing loan matures or if an attractive investment becomes available and the proceeds from the refinancing can be used to purchase such investment. The benefits of the refinancing may include an increased cash flow resulting from reduced debt service requirements, an increase in distributions from proceeds of the refinancing, if any, and/or an increase in property ownership if some refinancing proceeds are reinvested in real estate. The prepayment of loans may require us to pay a yield maintenance premium or defeasance costs to the lender in order to pay off a loan prior to its maturity.

We may enter into borrowing arrangements such as secured or unsecured credit lines, warehouse facilities, repurchase agreements or other types of financing arrangements. We may also issue corporate debt securities, subject to the limitations in our charter. Some of these arrangements may be recourse to us or may be secured by our assets. Many of these arrangements would likely require us to meet financial and non-financial covenants. Some of these borrowings may be short term and may require that we meet margin requirements.

We may borrow funds from our advisor or its affiliates if doing so is consistent with our investment objectives and policies and if other conditions are met. We may borrow funds from our advisor or its affiliates to provide the debt portion of a particular investment or to facilitate refinancings if, in the judgment of our board, it is in our best interest to do so. These short-term loans may be fully or partially amortized, may provide for the payment of interest only during the term of the loan or may provide for the payment of principal and interest only upon maturity. In addition, these loans may be secured by a first or subordinate mortgage on the asset to be invested in or by a pledge of our security interest in the offering proceeds that are being held in escrow which are to be received from the sale of our shares. Our charter currently provides that we will not borrow funds from our directors, our advisor or any of their respective affiliates unless the transaction is approved by a majority of the directors, including a majority of the independent directors, who are not interested in the transaction as being fair, competitive and commercially reasonable and not less favorable than those prevailing for loans between unaffiliated third parties under the same circumstances.

## **Operating Policies**

*Credit Risk Management.* For certain of our assets, we may be exposed to various levels of credit risk depending on the nature of our underlying assets and the nature and level of credit enhancements supporting our assets. Our advisor and our 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 board of directors will monitor the overall portfolio risk and levels of provision for loss.

*Interest Rate Risk Management.* To the extent consistent with maintaining our qualification as a REIT, for our loan investments, we will follow an interest rate risk management policy intended to mitigate the negative effects of major interest rate changes. When possible and economically viable, we intend to minimize our interest rate risk from borrowings by attempting to structure the key terms of our borrowings to generally correspond to the term of our assets and/or through hedging activities. In addition, for our property assets, we may borrow at fixed rates or variable rates and, in some cases, with the ability to convert variable rates to fixed rates. We may also enter into derivative financial instruments such as interest rate swaps and caps in order to mitigate our interest rate risk on a related financial instrument. We will not enter into derivative or interest rate transactions for speculative purposes.

*Hedging Activities.* We may engage in hedging transactions to protect our investment portfolio from interest rate fluctuations, currency risks and other changes in market conditions. These transactions may include interest rate and currency swaps, the purchase or sale of interest rate and currency collars, caps or floors, options, mortgage derivatives and other hedging instruments. These instruments may be used to hedge as much of the interest rate and currency risk as we determine is in the best interest of our stockholders, given the cost of such hedges and the 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 or currency risk that could otherwise be hedged when we believe, based on all relevant facts, that bearing such risk is advisable.

## **Temporary Strategies**

During periods in which our advisor determines that economic or market conditions are unfavorable to investors and a defensive strategy would benefit us, we may temporarily depart from our investment strategy. During these periods, subject to compliance with the Investment Company Act, we may deviate from our target allocations and invest less than 80% of our assets in properties and/or greater than 20% of our assets in real estate-related securities, or invest all or any portion of our assets in U.S. government securities, including bills, notes and bonds differing as to maturity and rates of interest that are either issued or guaranteed by the U.S. Treasury or by U.S. government agencies or instrumentalities; non-U.S. government securities that have received the highest investment grade credit rating; certificates of deposit issued against funds deposited in a bank or a savings and loan association; commercial paper; bankers' acceptances; fixed time deposits; shares of money market funds; credit-linked notes; repurchase agreements with respect to any of the foregoing; or any other fixed income securities that our advisor considers consistent with this strategy. It is impossible to predict when, or for how long, the advisor will use these alternative strategies. There can be no assurance that such strategies will be successful.

## **Investment Limitations**

Our charter places the following limitations on us with respect to the manner in which we may invest our funds or issue securities. Pursuant to our charter, we may not:

- incur debt such that it would cause our liabilities to exceed 300% of the cost of our net assets, which we expect to approximate 75% of the aggregate cost of tangible assets owned by us (before deducting depreciation, reserves for bad debts or other non-cash reserves), unless approved by a majority of the independent directors;



- invest more than 10% of our total assets in unimproved property or mortgage loans secured only by unimproved property, which we define as property not acquired for the purpose of producing rental or other operating income or on which there is no development or construction in progress or planned to commence within one year;
- make or invest in mortgage loans unless an appraisal is available concerning the underlying property, except for those mortgage loans insured or guaranteed by a government or government agency;
- make or invest in mortgage loans, including construction loans, on any one property if the aggregate amount of all mortgage loans on such property would exceed an amount equal to 85% of the appraised value of such property as determined by appraisal, unless substantial justification exists for exceeding such limit because of the presence of other underwriting criteria;
- invest in indebtedness or make loans secured by a mortgage on real property that is subordinate to the lien or other indebtedness of our sponsor, our advisor, a director or any of our affiliates;
- make an investment if the related acquisition fees and expenses are not reasonable or exceed 6.0% of the contract purchase price for the asset or, in the case of a loan we originate, 6.0% of the funds advanced, provided that in either case the investment may be made if a majority of the board of directors (including a majority of our independent directors) not otherwise interested in the transaction approves such fees and expenses and determines that the transaction is commercially competitive, fair and reasonable to us;
- acquire equity securities unless a majority of the board of directors (including a majority of our independent directors) not otherwise interested in the transaction approves such investment as being fair, competitive and commercially reasonable;
- invest in real estate contracts of sale, otherwise known as land sale contracts, unless the contract is in recordable form and is appropriately recorded in the chain of title;
- invest in commodities or commodity futures contracts, except for futures contracts when used solely for the purpose of hedging in connection with our ordinary business of investing in real estate assets and mortgages;
- issue equity securities on a deferred payment basis or other similar arrangement;
- issue debt securities in the absence of adequate cash flow to cover debt service unless the historical debt service coverage (in the most recently completed fiscal year), as adjusted for known changes, is sufficient to service that higher level of debt as determined by the board of directors or a duly authorized executive officer;
- issue equity securities that are assessable after we have received the consideration for which our board of directors authorized their issuance;
- invest in the securities of any entity holding investments or engaging in activities prohibited by our charter; or
- issue equity securities which the REIT is obligated to repurchase, which restriction has no effect on our share repurchase program or the ability of our operating partnership to issue redeemable partnership interests.

In addition, our charter includes many other investment limitations in connection with conflict-of-interest transactions, which limitations are described above under “Conflicts of Interest.” Our charter also includes restrictions on roll-up transactions, which are described under “Description of Shares” below.

### **Investment Company Act Limitations**

We intend to conduct our operations so that neither we, nor our operating partnership, nor a subsidiary will be required to register as an investment company 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, or proposes to engage 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 exclusion from the definition of investment company set forth in Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act.

We are organized as a holding company that conducts its businesses primarily through the operating partnership and our direct or indirect wholly-owned or majority-owned subsidiaries. We and the operating partnership do not and will not hold ourselves out as investment companies. We expect the focus of our business will involve investments in real estate, buildings, and other assets that can be referred to as "sticks and bricks" and therefore we will not be an investment company under Section 3(a)(1)(A) of the Investment Company Act. We also may invest in other real estate investments such as investments in mortgage, preferred equity, mezzanine, and other debt that may be secured by or related to real estate and real estate-related securities, and will otherwise be considered to be in the real estate business. Both we and the operating partnership intend to conduct our operations so that we comply with the limits imposed by the 40% test. The securities issued to our operating partnership by any wholly owned or majority-owned subsidiaries that we may form in the future 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 the operating partnership may itself own, may not have a value in excess of 40% of the value of the operating partnership's total assets on an unconsolidated basis. We will monitor our holdings to ensure continuing and ongoing compliance with this test. In addition, we believe neither we nor the operating partnership nor any subsidiary will be considered an investment company under Section 3(a)(1)(A) of the Investment Company Act because none will engage primarily or hold itself out as being engaged primarily in the business of investing, reinvesting or trading in securities. Rather, through the operating partnership's wholly-owned or majority-owned subsidiaries, we and the operating partnership will be primarily engaged in the non-investment company businesses of these subsidiaries.

The determination of whether an entity is a majority-owned subsidiary of its immediate parent company 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. 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 50% of the outstanding voting securities as majority-owned subsidiaries for purposes of the 40% test and other exclusions discussed herein. We have not requested the SEC to approve our treatment of any company as a majority-owned subsidiary and the SEC has not done so. If the SEC were to disagree with our treatment of one or more companies as majority-owned subsidiaries, we might need to adjust our strategy and our assets in order to continue to pass the 40% test or otherwise qualify for another exclusion under the Investment Company Act. Any such adjustment in our strategy could have a material adverse effect on us.

We may in the future organize special purpose subsidiaries of the operating partnership that will rely on Section 3(c)(1) and/or Section 3(c)(7) for their Investment Company Act exclusion and, therefore, the operating partnership's interest in each of these subsidiaries would constitute an "investment security" for purposes of determining whether the operating partnership satisfies the 40% test. However, we expect that most of our other majority-owned subsidiaries will not meet the definition of investment company or will rely on exclusions under either Section 3(c)(1) or 3(c)(7) of the Investment Company Act. Consequently, we expect that our interests in these subsidiaries (which we expect will constitute a substantial majority of our assets) will not constitute investment securities. Consequently, we expect to be able to conduct our operations so that we are not required to register as an investment company under the Investment Company Act.

One or more of our current or to-be-formed subsidiaries may seek to qualify for an exclusion from registration as an investment company under the Investment Company Act pursuant to Section 3(c)(5)(C) of the Investment Company Act, which is available for entities “primarily engaged in the business of purchasing or otherwise acquiring mortgages and other liens on and interests in real estate.” This exclusion, as interpreted by the staff of the SEC, generally requires that at least 55% of such subsidiary’s portfolio must be comprised of qualifying interests and at least 80% of its total portfolio of assets must be comprised of a combination of qualifying interests and other real estate type interests (as such terms have been interpreted by the staff of the SEC under the Investment Company Act), and no more than 20% may be comprised of assets that are neither qualifying interests nor real estate type interests. Qualifying interests for this purpose include certain mortgage loans and other assets such as certain “B” notes and tier one mezzanine loans, which the SEC staff in various no-action letters has determined may be treated as qualifying interests for the purposes of the Section 3(c)(5)(C) exclusion. We intend to treat as real estate type interests any securities of companies primarily engaged in real estate businesses that are not within the scope of SEC positions and/or interpretations regarding qualifying interests and that are not, themselves, indirect wholly-owned subsidiaries of the operating partnership. Although we intend to monitor our portfolio periodically and prior to each investment acquisition or disposition, there can be no assurance that we will be able to maintain this exclusion from registration for each of our subsidiaries.

In addition, we, the operating partnership and/or our subsidiaries may rely upon other exclusions, including the exclusion provided by Section 3(c)(6) of the Investment Company Act (which excludes from the definition of investment company, among other things, parent entities whose primary business is conducted through majority-owned subsidiaries relying upon the exclusion provided by Section 3(c)(5)(C), discussed above), from the definition of an investment company and the registration requirements under the Investment Company Act.

Qualification for exclusion from the definition of investment company or other exception or exemption from registration under the Investment Company Act could limit our ability to make certain investments. For example, these restrictions could limit the ability of a subsidiary seeking to rely on the exclusion provided by Section 3(c)(5)(C) of the Investment Company Act to invest in securities or other assets that the SEC has not deemed qualifying interests.

However, there can be no assurance that the laws and regulations governing the Investment Company Act status of REITs (and/or their subsidiaries), including actions by the SEC or the SEC staff providing more specific or different guidance regarding these exclusions, will not change in a manner that adversely affects our operations. For example, on August 31, 2011, the SEC issued a concept release requesting comments regarding a number of matters relating to the exclusion provided by Section 3(c)(5)(C) of the Investment Company Act, including the nature of assets that qualify for purposes of the exclusion and whether mortgage REITs should be regulated in a manner similar to investment companies. To the extent that the SEC or the SEC staff provides more specific guidance regarding any of the matters bearing upon such exceptions, exemptions, or exclusions, or other exclusions from the definition of investment company under the Investment Company Act upon which we may rely, we may be required to change the way we conduct our business or adjust our strategy or the activities of our subsidiaries 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.

If we fail to qualify for an exception from registration as an investment company or an exclusion from the definition of an investment company, our ability to use leverage and other business strategies would be substantially reduced, and our business will be materially and adversely affected if we fail to qualify for an exception or exclusion from regulation under the Investment Company Act. If we did become an investment company, we might be required to revise some of our current policies to comply with the Investment Company Act. This would require us to incur the expense and delay of holding a stockholder meeting to vote on proposals for such changes. Please see “Risk Factors—Risks Related to This Offering and Our Corporate Structure—Maintenance of our Investment Company Act exemption imposes limits on our operations.” Please also see “Risk Factors—Risk Factors—Risks Related to This Offering and Our Corporate Structure —The loss of our Investment Company Act exemption could require us to register as an investment company or substantially change the way we conduct our business, either of which may have an adverse effect on us.”

## DESCRIPTION OF OUR INVESTMENTS

### Real Estate Portfolio

As of December 31, 2023, we owned the following investments:

- A retail property located in Grand Rapids, Michigan (the “GR Property”).
- An office property located in Fort Mill, South Carolina (the “FM Property”).
- An office property located in Columbus, Ohio (the “CO Property”).
- A flex industrial property located in Lewisville, TX (the “Lewisville Property”).
- CF Albertsons Lancaster, LLC (the “Pennsylvania SPE”), which made a preferred equity investment (the “Lancaster PE”) through a joint venture agreement pursuant to which an interest in a cold storage and warehouse distribution facility located in Denver, Pennsylvania is held.
- CF Albertsons Chicago, LLC (the “Illinois SPE”), which owns a fixed rate, subordinate mezzanine loan (the “Chicago Jr Mezz”) backed by an interest in a cold storage and warehouse distribution facility located in Melrose Park, Illinois.
- A majority interest (75%) in an office property located in San Francisco, California (the “SF Property”) through a joint venture with an unrelated third party (the “Battery Street SF JV”).
- An industrial property located in Phoenix, Arizona (the “Buchanan Property”).
- Interests (15%) in a Delaware Statutory Trust, CF Station Multifamily DST (the “Station DST”), which owns a multifamily residential property (“Station DST Property”).
- A majority interest (97%) in a multifamily property located in Carrollton, Texas (the “Keller Property”) through a joint venture with an unrelated third party (the “Keller JV”).
- A controlling interest (25%) in a Delaware Statutory Trust, CF Summerfield Multifamily DST (the “Summerfield DST”), which owns a multifamily residential property located in Landover, MD (the “Summerfield Property”).
- An industrial property located in Cleveland, OH (the “Madison Ave Property”).
- A controlling interest (10%) in a Delaware Statutory Trust, CF Valencia Life Sciences DST (the “Valencia DST”), which owns a life sciences laboratory and research office property located in Valencia, California (the “Valencia Property”).
- An office property located in Cupertino, CA (the “De Anza Property”).
- A controlling interest of (10%) in a Delaware Statutory Trust, CF Kacey Multifamily DST (the “Kacey DST”), which owns a multifamily residential property located in Kingwood, Texas (the “Kacey Property”).
- A controlling interest of (10%) in a Delaware Statutory Trust, CF Industry Multifamily DST (the “Industry DST”), which owns a multifamily residential property located in Columbus, OH (the “Industry Property”).
- An industrial dry/cold storage facility located in Columbus, OH (the “Fisher Road Property”).
- A controlling interest of (96.46%) in a multifamily property located in Conroe, TX (the “Longmire Property”) through a joint venture (the “Longmire JV”) with an unrelated third party.
- A controlling interest of (10%) in a Delaware Statutory Trust, (the “ON3 DST”), which owns a Class-A office tower located in Nutley, NJ (the “ON3 Property”).
- A controlling interest of (10%) in a Delaware Statutory Trust, CF West End Multifamily DST (the “West End DST”), which owns a multifamily residential property located in Lenexa, Kansas (the “West End Property”).

- A controlling interest of (10%) in a Delaware Statutory Trust, CF Palms Multifamily DST (the “Palms DST”), which owns a multifamily residential property located in Houston, Texas (the “Palms Property”).
- An acre of land leased to Amazon.com located in Greenfield, Indiana (the “Mount Comfort Land”).
- A controlling interest of (5%) in a Delaware Statutory Trust, CF Pearland Multifamily DST (the “Pearland DST”), which owns a multifamily residential property located in Pearland, Texas (the “Pearland Property”).

## Real Estate Investment Summary

As of December 31, 2023, the Company owned interests in 20 real properties, including through interests in DSTs, and a plot of land as described below:

Portfolio	Ownage Percentage	Location	Number of Properties	Square Feet	Remaining Lease Term <sup>(1) (2)</sup>	Annualized Rental Income <sup>(3)</sup>	Acquisition Date	Purchase Price <sup>(4)</sup>
Walgreens Grand Rapids (“GR Property”) . . . . .	100%	Grand Rapids, MI	1	14,552	13.6 years <sup>(2)</sup>	\$ 500,000	July 2017	\$ 7,936,508
Daimler Trucks North America Office Building (“FM Property”) . . . . .	100%	Fort Mill, SC	1	150,164	5.0 years	\$ 2,670,638	February 2018	\$ 40,000,000
Alliance Data Systems Office Building (“CO Property”) . . . . .	100%	Columbus, OH	1	241,493	8.7 years	\$ 3,362,844	July 2018	\$ 46,950,000
Hoya Optical Labs of America (“Lewisville Property”) . . . . .	100%	Lewisville, TX	1	89,473	4.5 years	\$ 937,060	November 2018	\$ 14,120,000
Williams Sonoma Office Building (“SF Property”) . . . . .	75%	San Francisco, CA	1	13,907	0.0 years <sup>(6)</sup>	\$ 0	September 2019	\$ 11,600,000
Martin Brower Industrial Buildings (“Buchanan Property”) . . . . .	100%	Phoenix, AZ	1	93,302	8.5 years	\$ 1,083,444	November 2019	\$ 17,300,000
Multifamily Residential Property (“Station DST Property”) . . . . .	15%	Carrollton, TX	1	457,980	Multiple <sup>(5)</sup>	\$10,106,894	October 2020	\$106,000,000
Multifamily Residential Property (“Keller Property”) . . . . .	97%	Carrollton, TX	1	255,627	Multiple <sup>(5)</sup>	\$ 5,767,248	February 2021	\$ 56,500,000
Multifamily Residential Property (“Summerfield Property”) . . . . .	25%	Landover, MD	1	452,876	Multiple <sup>(5)</sup>	\$10,631,477	March 2021	\$115,500,000
Amazon Last Mile Cleveland (“Madison Ave Property”) . . . . .	100%	Cleveland, OH	1	168,750	7.3 years	\$ 1,555,254	May 2021	\$ 30,800,000
Valencia California (“Valencia Property”) . . . . .	10%	Santa Clarita, CA	1	180,415	12.0 years	\$ 5,323,193	July 2021	\$ 92,000,000
De Anza Plaza Office Buildings (“De Anza Property”) . . . . .	100%	Cupertino, CA	1	83,959	7.6 years	\$ 4,206,056	July 2021	\$ 63,750,000
Multifamily Residential Property (“Kacey Property”) . . . . .	10%	Kingwood, TX	1	296,991	Multiple <sup>(5)</sup>	\$ 5,458,681	November 2021	\$ 67,000,000
Multifamily Residential Property (“Industry Property”) . . . . .	10%	Columbus, OH	1	187,678	Multiple <sup>(5)</sup>	\$ 4,537,180	December 2021	\$ 81,000,000
Mars Petcare Dry/Cold Storage Facility (“Fisher Road Property”) . . . . .	100%	Columbus, OH	1	465,256	3.4 years	\$ 2,984,877	March 2022	\$ 58,000,000
Multifamily Residential Property (“Longmire Property”) . . . . .	97%	Conroe, TX	1	231,720	Multiple <sup>(5)</sup>	\$ 3,241,009	April 2022	\$ 43,400,000
Eisai, Inc. Office Buildings (“ON3 Property”) . . . . .	10%	Nutley, NJ	1	332,818	15.0 years	\$ 7,245,828	April 2022	\$131,667,000
Multifamily Residential Property (“West End Property”) . . . . .	10%	Lenexa, KS	1	299,813	Multiple <sup>(5)</sup>	\$ 5,392,195	August 2022	\$ 69,375,000
Multifamily Residential Property (“Palms Property”) . . . . .	10%	Houston, TX	1	222,672	Multiple <sup>(5)</sup>	\$ 4,016,561	August 2022	\$ 48,000,000



<b>Portfolio</b>	<b>Ownership Percentage</b>	<b>Location</b>	<b>Number of Properties</b>	<b>Square Feet</b>	<b>Remaining Lease Term<sup>(1) (2)</sup></b>	<b>Annualized Rental Income<sup>(3)</sup></b>	<b>Acquisition Date</b>	<b>Purchase Price<sup>(4)</sup></b>
Multifamily Residential Property ("Pearland Property")	5%	Houston, TX	1	219,624	Multiple <sup>(5)</sup>	\$4,011,294	August 2022	\$48,000,000
Land ("Mount Comfort Land")	100%	Greenfield, IN	0	1-acre	12.3 years	\$ 53,140	October 2022	\$ 445,000

- (1) Reflects number of years remaining until the tenant's first termination option.
- (2) On March 14, 2022 the tenant (Walgreens) of the GR Property SPE waived the lease termination option and extended the non-cancelable term of the lease by five years to July 31, 2037.
- (3) Reflects the average annualized rental income for the lease(s). Annualized rental income for the Keller Property, the Summerfield Property, the Kacey Property, the Industry Property, the Longmire Property, the West End Property, and the Palms Property is based on full occupancy. All amounts based on 100% ownership.
- (4) Reflects the contract purchase price at 100% ownership as opposed to adjusted for current ownership percentage as applicable.
- (5) Indicates individual tenant leases (with a one-year average lease term) for the multifamily residential properties.
- (6) The lease with William Sonoma expired on December 31, 2021. As of December 31, 2023, the SF Property was still vacant.

As of December 31, 2023, the weighted average occupancy of our portfolio of real estate assets, based on each asset's fair value used in determining our NAV, was 94.3%. For our industrial, retail and office investments, occupancy includes all leased square footage as of the date indicated. For our multifamily investments, occupancy is defined as the percentage of units occupied on the date indicated.

As of December 31, 2023, the company invested in debt securities described below:

- Invested in \$7,500,000 of investment-grade rated (BBB/Fitch; BBB/Kroll) Class D BMO 2023-5C1 CMBS with a 4.00% coupon. The Company paid \$0.69 on the dollar for the securities.
- Invested in \$5,060,000 of investment-grade rated (BBB/Fitch; BBB/Kroll) Class D BMO 2023-5C2 CMBS with a 5.00% coupon. The Company paid \$0.70 on the dollar for the securities.

As of December 31, 2023, we owned the preferred equity investment described below:

<b>Portfolio</b>	<b>Investment Amount</b>	<b>Preferred Return</b>	<b>Number of Properties</b>	<b>Square Feet</b>	<b>Lease Expiration Date</b>	<b>Tenant Renewal Options</b>
Denver, PA—Pref Equity Investment	\$11,805,000	Ranging from 7.75% in 2019 to 8.74% in 2028	1	1,539,407	January 31, 2039	9 extension options for 5 years each

As of September 30, 2023, we owned the mezzanine loan described below:

<b>Portfolio</b>	<b>Loan Amount</b>	<b>Annual Interest Rate Prior to Anticipated Repayment</b>	<b>Number of Properties</b>	<b>Square Feet</b>	<b>Initial Maturity Date</b>	<b>Loan-to-Value</b>	<b>Amortization</b>
Melrose Park, IL—Mezz B Loan	\$12,595,000	Ranging from 7.75% in 2019 to 8.74% in 2028	1	1,561,613	January 6, 2034	75% of acquisition cost	Interest only

### Future Lease Expirations

As of December 31, 2023, we had 7 leases on non-multifamily assets expiring within the next 10 years (Daimler Trucks North America Office Building, Alliance Data Systems Office Building, Martin Brower Industrial Buildings, Amazon Last Mile Cleveland, De Anza Plaza, Mars Petcare Dry/Cold Storage Facility and Hoya Optical Labs of America). In addition, the lease with William Sonoma for the SF Property expired on December 31, 2021. As of September 30, 2023, the SF Property is vacant.



### **Tenant Concentration**

As of December 31, 2023, two tenants each occupy more than ten percent of the real property the Company owns interest in: Comenity Servicing, LLC, a subsidiary of Bread Financial that is based in Columbus, OH and provides customer service, billing, and collection services related to credit card receivables; and Mars Petcare US, Inc., the domestic segment of Mars, Incorporated's (S&P: A+ rated, Moody's: A1 rated) global pet care business.

### **Lease Expirations**

As of December 31, 2023, lease expirations related to our net lease portfolio of real estate assets (excluding the SF Property), based on each asset's fair value used in determining our NAV, were as follows:

- 2023 – 2026 – 0.0%
- 2027 – 18.6%
- 2028 – 18.4%
- 2029 – 2030 – 0.0%
- 2031 – 29.6%
- 2032 – 23.8%
- After 2033 – 9.5%

### **Concentrations**

As of December 31, 2023, the industry concentration of our portfolio of real estate assets, based on each asset's fair value used in determining our NAV, was as follows:

- Multifamily – 35.7%
- Single Tenant Office – 30.0%
- Single Tenant Industrial – 29.2%
- Single Tenant Life Sciences – 1.7%
- Single Tenant Necessity Retail – 1.6%

As of December 31, 2023, the geographic concentration of our portfolio of real estate assets, based on each asset's fair value used in determining our NAV, was as follows:

- Texas – 30.9%
- Ohio – 27.7%
- California – 14.4%
- South Carolina – 6.6%
- Maryland – 5.9%
- Arizona – 4.5%
- New Jersey – 2.1%
- Illinois – 2.5%
- Pennsylvania – 2.3%
- Michigan – 1.6%
- Kansas – 1.4%
- Indiana – 0.1%

### **Investment Type Concentration**

As of December 31, 2023, the investment type concentration of our portfolio of real estate assets, based on each asset's fair value used in determining our NAV, was as follows:

- Common Equity – 93.4%

- Mezzanine Loan – 2.4%
- Preferred Equity – 2.3%
- Real Estate-Related Securities – 1.8%

### **Maturity Concentration**

As of December 31, 2023, the maturity concentration of debt secured by our portfolio of real estate assets (including our credit facility, which makes up all debt maturing in 2023 – 2025, and has two one-year extension options), based on principal balances and adjusted for ownership percentage, was as follows:

- 2023 – 0.0%
- 2024 – 30.6%
- 2025 – 0.0%
- 2026 – 0.0%
- 2027 – 2.1%
- 2028 – 22.5%
- 2029 – 4.5%
- 2030 – 4.2%
- 2031 – 30.3%
- 2032 – 5.5%
- After 2033 – 0.5%

As of December 31, 2023, the weighted average lease term remaining of our portfolio of real estate assets (excluding multifamily, mezzanine and preferred equity investments), based on each asset’s fair value used in determining our NAV, was 7.1 years.

### **Occupancy**

As of December 31, 2023, the weighted average occupancy of our portfolio of real estate assets, based on each asset’s fair value used in determining our NAV, was 94.3%. For our industrial, retail and office investments, occupancy includes all leased square footage as of the date indicated. For our multifamily investments, occupancy is defined as the percentage of units occupied on the date indicated.

### **Completed Real Property Acquisitions**

#### ***Buchanan Property—Martin Brower Distribution Center—Phoenix Arizona***

On November 26, 2019, we acquired a distribution center, or the Buchanan Property, located in Phoenix, Arizona at a contract purchase price of \$17,300,000.00, exclusive of closing costs. The Buchanan Property was acquired from an unaffiliated third party.

The Buchanan Property is 100% leased to Martin Brower under two leases. The tenant is responsible for operating expenses, real estate taxes, insurance, utilities, repairs, maintenance and capital expenditures, in addition to its obligation to pay base rent. The Buchanan Property is managed by RDN Property Management, LLC, or RDN, an affiliate of our sponsor, pursuant to a property management agreement. Martin Brower has occupied the property since 2018.

The Buchanan Property was acquired in part with proceeds from a loan, or the MB Loan, from Goldman Sachs Bank USA, or GS, as described in “—Our Borrowings”.

***SF Property—Williams Sonoma Office Building—San Francisco, California***

On September 26, 2019, we, through a joint venture, or the Battery Street SF JV, with GSR Battery, LLC, or GSR, an affiliate of Graham Street Realty, acquired an office building, the SF Property, located at 1035 Battery Street in San Francisco, California at a contract purchase price of \$11,600,000, exclusive of closing costs. The SF Property was acquired from an unaffiliated third party.

We and GSR own 75% and 25% of the Battery Street SF JV membership interests, respectively. GSR will be entitled to a promote to the extent that the returns in the Battery Street SF JV exceed a certain hurdle.

The SF Property was 100% leased to Williams-Sonoma, Inc., or Williams Sonoma, and is property managed by Paramount Property, LTD., pursuant to a property management agreement, and asset managed by 1035 Battery Street Asset Management, LLC, pursuant to an asset management agreement, each an affiliate of GSR. The lease with William Sonoma expired on December 31, 2021, and the property has remained vacant since.

***GR Property—Walgreens Store—Grand Rapids, Michigan***

On June 11, 2017, we acquired the fee simple interest in a retail property, or the GR Property, located in Grand Rapids, MI at a contract purchase price of \$7,936,508, exclusive of closing costs. We acquired the GR Property from an unaffiliated third party.

The GR Property is 100% leased to Walgreens, a subsidiary of Walgreens Boots Alliance Inc. (NASDAQ: WBA). Walgreens is rated investment grade by Moody's and Standards & Poor's. The lease is net whereby the tenant is required to pay substantially all operating expenses, including all costs to maintain and repair the roof and structure of the building, in addition to base rent. As of the date of the acquisition of the GR Property, there were four pharmacies within a two-mile radius of the GR Property, which is generally considered the primary trade area for a drug store retailer. Walgreens has occupied the GR Property since 2004.

We funded the acquisition of the GR Property in part with proceeds of a loan from UBS AG as described in “—Our Borrowings.”

The GR Property is managed by RDN pursuant to a property management agreement.

***FM Property—Daimler Trucks North America Office Building—Fort Mill, South Carolina***

On February 1, 2018, we, through a joint venture with a subsidiary of our sponsor, or the Daimler JV, acquired an office building located in Fort Mill, South Carolina at a contract purchase price of \$40,000,000.00, exclusive of closing costs. We and our sponsor owned 44.4% and 55.6% of the membership interests of the Daimler JV, respectively. The FM Property was acquired from an unaffiliated third party. We currently own 100% of the membership interests in the Daimler JV.

The FM Property is 100% leased to Daimler. The lease is net whereby the tenant is responsible for operating expenses, real estate taxes, insurance, repairs, maintenance and capital expenditures (excluding roof, structure and certain HVAC items), in addition to base rent. Daimler has occupied the FM Property since 2008.

The Daimler JV acquired the FM Property in part with proceeds of a loan from UBS AG as described in “—Our Borrowings.”

The FM Property is managed by RDN pursuant to a property management agreement.

***CO Property—Alliance Data Systems Office Building—Columbus, Ohio***

On July 31, 2018, we, through a joint venture with a subsidiary of our sponsor, or the “ADS JV”, acquired an office building located in Columbus, Ohio at a contract purchase price of \$46,950,000, exclusive of closing costs.

We and our sponsor initially owned 67% and 33% of the membership interests in the ADS JV, respectively. The CO Property was acquired from an unaffiliated third party. We currently own 100% of the property owner, a subsidiary of the ADS JV.

The CO Property is 100% leased to Comenity Servicing LLC (“Comenity”). The lease is net whereby the tenant is responsible for operating expenses, real estate taxes, insurance, utilities, repairs, maintenance and capital expenditures, in addition to its obligation to pay base rent. Comenity entered into its lease agreement in 2016. In August of 2021, Comenity entered into a sublease agreement with Upstart Network, Inc. (“Upstart”), whereby Comenity subleased the entire premises to Upstart (the “Upstart Sublease”). Subsequently, in October of 2023, Comenity entered into (i) an amendment to the Upstart Sublease (the “Sublease Amendment”), whereby Comenity and Upstart partially terminated a portion of the sublease premises, and contemporaneously (ii) a sublease agreement with Wells Fargo Bank, N.A. for the portion of the premises partially terminated pursuant to the Sublease Amendment.

#### ***Lewisville Property—Hoya Flex Industrial Building—Lewisville, Texas***

On November 7, 2018, we acquired a flex industrial building located in Lewisville, Texas at a contract purchase price of \$14,120,000, exclusive of closing costs. The Lewisville Property was acquired from an unaffiliated third party.

The Lewisville Property is 100% leased to HOYA Optical Labs of America, Inc., a subsidiary of HOYA Corporation, which serves as the guarantor of the lease. The lease is net whereby the tenant is responsible for operating expenses, real estate taxes, insurance, repairs, maintenance and capital expenditures (excluding roof and structure), in addition to its obligation to pay base rent. Hoya has occupied the Lewisville Property since 2001.

The Lewisville Property is managed by RDN Property Management pursuant to a property management agreement.

#### ***3221 Keller Springs Road, Carrollton, Texas – Multifamily***

On February 25, 2021, we, through a joint venture, or the Keller JV, between an affiliate of CAF Management, LLC, or CAF, on the one hand, and a joint venture between us and affiliates of Cantor, which we refer to as the Company JV, on the other hand, indirectly acquired a multifamily property located in Carrollton, Texas, or Keller Property, at a contract purchase price of \$56.5 million, exclusive of closing costs. The fee simple interest in the Keller Property is held by a single purpose limited liability company, or the Keller SPE, which is a wholly-owned subsidiary of Keller JV. The Keller Property was acquired from a third-party unaffiliated with us.

The Keller JV is externally managed by a wholly-owned subsidiary of our operating partnership. The Company JV and CAF own 97% and 3% of the Keller JV membership interests, respectively. The Company JV is owned 100% by our operating partnership. CAF will be entitled to a promote of 12.5% of all distributions to the Keller JV members after such members receive their net capital contributions and a 10% compounded annual return.

The Keller Property is a Class A multifamily property constructed in 2015, consists of 255,627 net rentable square feet across 6 buildings and is situated on an approximately 14.8-acre site. The Keller Property features 13 different floor plans and is comprised of 304 one-, two-, and three-bedroom apartment homes. The apartments units average 841 square feet. Apartment amenities at the Keller Property include 9- to 10- foot ceilings, track lighting, stainless steel appliances, granite countertops, brushed nickel hardware, full size washer and dryer connections and, in select units, private fenced yards and kitchen islands. Amenities at the Keller Property include a resort-style swimming pool, a club house, fitness center, game room and a dog park. The Keller Property was acquired in part with proceeds of a loan from CBRE Multifamily Capital, Inc. as described in “— Our Borrowings.”

***Madison Ave Property—Amazon Last Mile – Cleveland, OH***

On May 4, 2021, we through a joint venture with our sponsor, or the Amazon Cleveland JV, acquired an Amazon “last mile”, 168,750 square foot distribution facility located at 10801 Madison Avenue, Cleveland, Ohio, or the Madison Ave Property, for a purchase price of \$30,800,000, exclusive of closing costs and other adjustments. The property is leased to a subsidiary of Amazon.com Inc., or Amazon, under a new, 10-year triple-net lease which is guaranteed by Amazon. We currently own 100% of the property owner, a subsidiary of the Amazon Cleveland JV.

***De Anza Plaza Apple – Office Buildings – Cupertino, CA***

On July 23, 2021, we, through our operating partnership, acquired an ownership interest in a two-building office campus located in Cupertino, CA, or the Cupertino Property, at a contract purchase price of \$63.75 million, exclusive of closing costs. The ownership interest in the Cupertino Property is a leasehold interest, each building is subject to a 60+ year ground lease and is held by a single purpose limited liability company, or the Cupertino SPE, of which we own 100% of the membership interests. The Cupertino Property was acquired from DeAnza DH Properties LLC, which is a third party that is not affiliated with us or our sponsor.

The Cupertino Property is 100% leased to Apple Inc. The lease is net whereby the tenant is responsible for operating expenses, real estate taxes, insurance, repairs, maintenance and capital expenditures (excluding roof, structure and certain HVAC items), in addition to base rent.

We funded the purchase price and acquisition expenses with cash from our ongoing initial public offering and the Citizens Credit Facility (as discussed and defined below in “—Our Borrowings”).

The Cupertino Property is managed by G&E Real Estate Management Services, Inc., an affiliate of our sponsor, pursuant to a property management agreement.

***Fisher Road Property – Mars Petcare – Industrial – Dry/Cold Storage – Columbus, OH***

On March 11, 2022, we, through a wholly-owned subsidiary of our operating partnership (the “Mars Property Owner”), acquired a 465,256 square foot cross-dock cold storage facility, or the Fisher Road Property, located in Columbus, OH at a contract purchase price of \$58 million, exclusive of closing costs. The Fisher Road Property was acquired from affiliates of Syndicated Equities. The sellers are third parties and not affiliated with us or our sponsor.

The Fisher Road Property is 100% leased to Mars Petcare, U.S. Inc. (the domestic segment of Mars’ global pet care business). The lease is net whereby the tenant is responsible for operating expenses, real estate taxes, insurance, repairs, maintenance and capital expenditures (excluding roof, structure and certain HVAC items), in addition to base rent.

We funded the purchase price and acquisition expenses with cash from this offering and the Citizens Credit Facility. In connection with the acquisition of the Mars Property, we pledged the Mars Property owned by the Mars Property Owner to the Citizens Credit Facility.

***Longmire Property- Landings of Conroe, Conroe, Texas – Multifamily***

On April 14, 2022, we, through a joint venture, or the Conroe JV, with an affiliate of CAF Management, LLC, or CAF, acquired a multifamily property, or the Longmire Property, located at 1804 Longmire Road, Conroe, Texas at a contract purchase price of \$43.4 million, exclusive of closing costs. The fee simple interest in the Longmire Property is held by a single purpose limited liability company, which is a wholly-owned subsidiary of Conroe JV. The Longmire Property was acquired from Hilltop Conroe, LP in an off-market transaction. The seller is a third party and not affiliated with us or CAF.

The Conroe JV is externally managed by a wholly-owned subsidiary of our operating partnership. We and CAF own approximately 97% and 3% of the Conroe JV membership interests, respectively. CAF will be entitled to a promote of 12.5% of all distributions to the Conroe JV members after such members receive their net capital contributions and a 10% compounded annual return.

The Longmire Property was constructed in 2005 and consists of 231,720 net rentable square feet across 31 buildings and is situated on an approximately 15.3-acre site. The Longmire Property features three different floor plans and is comprised of 200 one-, two-, and three-bedroom apartment homes. The apartments units average 1,159 square feet with an average monthly rent of \$1,504 as of December 31, 2023. Apartment amenities at the Longmire Property include a club house, 24-hour fitness center, swimming pool, picnic and grilling area, sport court, dog park and gated access. As of December 31, 2023, the Longmire Property was 90.0% leased and occupied.

The Longmire Property was acquired with the proceeds of contributions from the Conroe JV members. We funded our portion of the purchase price with cash from this offering and a draw on the Citizens Credit Facility. In connection with the acquisition of the Longmire Property, we pledged the Longmire Property to the Citizens Facility. The Longmire Property is managed by an affiliate of CAF.

### Preferred Equity Investment

#### *Albertsons Dry Bulk/Cold Storage—Denver, Pennsylvania*

On January 2, 2019, we made a preferred equity investment, or Lancaster PE, together with a subsidiary of our sponsor. The investment was made through a single purpose limited liability entity, in which we originally owned 40.5% of the membership interests and our sponsor owned 59.5% of the membership interests, or the Pennsylvania SPE. We currently own 100% of the Pennsylvania SPE.

The Pennsylvania SPE entered into a joint venture agreement, or the Pennsylvania JV, with a subsidiary of USRA Net Lease III Capital Corp., or USRA. We and our sponsor, by and through the Pennsylvania SPE, collectively, the Preferred Member, invested \$11,805,000 of capital in the Pennsylvania JV. The Pennsylvania JV purchased a cold storage and warehouse distribution facility located in Denver, Pennsylvania, or the PA Property, for a purchase price of \$117,050,000. The acquisition of the PA Property was financed in part by a mortgage loan in the amount of \$76,732,500, or the PA Mortgage Loan, provided by Goldman Sachs Mortgage Company, or the PA Mortgage Lender. The PA Property was acquired from an unaffiliated third party. USRA is also an unaffiliated third party.

The PA Property is 100% leased to New Albertsons L.P., which is a subsidiary of Albertsons Companies Inc., or Albertsons, which serves as the guarantor of the lease. The lease is net whereby the tenant is responsible for operating expenses, real estate taxes, utilities, repairs, maintenance and capital expenditures, in addition to its obligation to pay base rent. Albertsons has occupied the PA Property since 2019.

The following table provides certain information about the PA Mortgage Loan:

	<u>Original Loan Amount</u>	<u>Annual Interest Rate</u>	<u>Maturity Date</u>
PA Mortgage Loan . . . . .	\$76,732,500	5.04%	January 6, 2029

Lancaster Grocery Property LLC, or the PA Mortgage Borrower, pays only interest on a monthly basis (non-amortizing). Commencing in the 13th month after loan origination, the PA Mortgage Loan may be prepaid (a) subject to customary yield maintenance provisions prior to October 6, 2028, and (b) without penalty on or after October 6, 2028; provided that in each case the PA Mortgage Loan may be prepaid in whole, but not in part. The PA Mortgage Loan contains customary events of default.



If and to the extent there is cash available for distribution from the PA Property, the Preferred Member is entitled to an annual rate of return on the Lancaster PE, or the Preferred Return, that range from 7.75% in 2019 to 8.74% in 2028, or the Preferred Return Rate. On January 1, 2029, and on January 1st of each succeeding calendar year, the Preferred Return Rate will increase by 1% until such time as the Lancaster PE has been fully redeemed. The Preferred Return Rate is to be paid monthly from cash available for distribution prior to any distributions to any other member of the Pennsylvania JV.

A subsidiary of USRA, Lancaster Grocery Manager LLC, or the Managing Member, is the other member, and manages the day to day affairs of the Pennsylvania JV, subject to customary major decision rights in favor of the Preferred Member. The Managing Member may cause the Pennsylvania JV to redeem in full the Preferred Member’s interest in the Pennsylvania JV at any time following the date that is 36 months after the effective date of the Pennsylvania JV (January 2, 2022) (the period preceding such date being the “Lock-Out Period”). Thereafter, redemption in full but not in part of the Preferred Member’s interest is permitted. With certain exceptions, redemptions of the Preferred Member’s interest that occur prior to October 6, 2028, or the Par Redemption Date, require the payment to the Preferred Member of a “Redemption Premium” which is an amount equal to the then present value of the Preferred Return that would have otherwise accrued through the Par Redemption Date, discounted using a discount rate equal to “Treasury Constant Yields” plus 1.0%.

Under the Pennsylvania JV, the Preferred Member is also entitled to exercise certain rights and remedies upon the occurrence of certain events of default. Upon the occurrence of such events, the Preferred Member may (a) cause a full redemption of its interest (for events other than an event of default under the PA Mortgage Loan), (b) remove the Managing Member and assume management control over the Pennsylvania JV and/or (c) make certain additional capital contributions and/or protective advances to protect its interest.

### **Mezzanine Loan**

#### ***Albertsons Dry Bulk/Cold Storage—Melrose Park, Illinois***

On January 2, 2019, we made an investment, together with our sponsor. The investment was made by us through a single purpose limited liability entity, in which we originally owned 40.5% of the membership interests and our sponsor owned 59.5% of the membership interests, or the Illinois SPE. We currently own 100% of the Illinois SPE.

The Illinois SPE originated a fixed rate, subordinate mezzanine loan in the amount of \$12,595,000, or the IL Mezz B Loan, to Chicago Grocery Mezz B, LLC, or the IL Mezz B Borrower, which is owned and controlled by USRA, for the acquisition of a cold storage and warehouse distribution facility located in Melrose Park, Illinois, or the IL Property, for a contract purchase price of \$124,950,000. The acquisition of the IL Property was in part financed by a mortgage loan in the amount of \$41,700,000, or the IL Mortgage Loan, provided by Goldman Sachs Mortgage Company, or the IL Mortgage Lender, and a senior mezzanine loan in the amount of \$40,467,500, or the IL Mezz A Loan, provided by Mortgage Lender, in its capacity as the mezzanine lender, or the IL Mezz A Lender. IL Mezz B Borrower owns 100% of the membership interests in Chicago Grocery Mezz A, LLC, or IL Mezz A Borrower, which owns 100% of the membership interest in Chicago Grocery Property, LLC, or IL Property Owner, which owns the fee simple interest in the IL Property. The IL Property was acquired from an unaffiliated third party.

The IL Property is 100% leased to New Albertsons L.P., which is a subsidiary of Albertsons, which serves as the guarantor of the lease. The IL Property lease is net whereby the tenant is responsible for operating expenses, real estate taxes, utilities, repairs, maintenance and capital expenditures, in addition to its obligation to pay base rent.

The following table provides certain information about the IL Property lease:

<u>Rent Commencement Date</u>	<u>Lease Expiration Date</u>	<u>Rentable Square Feet</u>	<u>Year One Rent</u>	<u>Tenant Renewal Options</u>
January 2, 2019	January 31, 2039	1,561,613	\$7,808,065.00, subject to annual rent escalations	9 extension options for 5 years each

The following table provides certain information about the IL Mezz B Loan:

	<u>Original Loan Amount</u>	<u>Annual Interest Rate Prior to Anticipated Repayment Date</u>	<u>Applicable Interest Rate after Anticipated Repayment Date</u>	<u>Anticipated Repayment Date</u>	<u>Maturity Date</u>
IL Mezz B Loan . . .	\$12,595,000	Ranging from 7.75% in 2019 to 8.74% in 2028.	Greater of: (i) 10.75%, (ii) 11.74% and (iii) 5 year Swap Rate plus 8.82%.	January 6, 2029	January 6, 2034

The IL Mortgage Loan and the IL Mezz A Loan both have the same anticipated repayment date and maturity date as the IL Mezz B Loan.

Prior to the anticipated repayment date, the IL Mortgage, IL Mezz A and IL Mezz B Borrowers pay only interest on a monthly basis (non-amortizing). Commencing in the 13th month after loan origination, the loans may be prepaid (a) subject to customary yield maintenance provisions prior to October 6, 2028, and (b) without penalty on or after October 6, 2028; provided that in each case the loan may be prepaid in whole, but not in part and no portion of a mezzanine loan may be prepaid without prepayment of the more senior loans. To the extent any of the loans have not been repaid by the anticipated repayment date, excess cash flow from the Property will be applied to the repayment of the outstanding principal (in order of priority – first to the IL Mortgage Loan, then to the IL Mezz A Loan, and then to the IL Mezz B Loan). Each of the loans contains customary events of default. As is customary in such financings, if an event of default occurs under the subject loan, the lender may accelerate the repayment of the outstanding principal amount and exercise other remedies subject, in certain instances, to the expiration of an applicable cure period.

In connection with the origination of the IL Mezz B Loan, the Illinois SPE, IL Mezz A Lender, and IL Mortgage Lender entered into an intercreditor agreement, dated as of January 2, 2019, or the Intercreditor Agreement. The Intercreditor Agreement specifies the time and method by which the various secured parties may enforce their security interests in their respective collateral. In addition, the Intercreditor Agreement contains customary restrictions on modifications to the senior and mezzanine loan documents and restrictions on the ability of the lenders to exercise overlapping consent rights. The Intercreditor Agreement also grants Illinois SPE the right to cure events of default under the IL Mezz A Loan and the IL Mortgage Loan and the right to purchase the IL Mezz A Loan and the IL Mortgage Loan during the continuance of an event of the default under the IL Mezz A Loan and the IL Mortgage Loan.

## **Investment in Real Estate-Related Assets**

### ***Station DST Interests***

On November 25, 2020, we acquired beneficial interests, or the Station Interests, in the Delaware Statutory Trust, CF Station Multifamily DST, or Station DST, for a purchase price of \$7.6 million. The Station Interests held represent 15% of the Station DST.

On October 29, 2020, the Station DST acquired the fee simple interest in a 444-unit apartment community located in Irving, Texas, or the Station DST Property, for a total purchase price of \$106 million. The purchase price was comprised of \$47.1 million in equity and \$58.9 million in proceeds from a mortgage loan. As part of the acquisition, the Station DST received an appraisal of the Station DST Property as of September 15, 2020 with an appraised value of \$107.4 million. This appraisal was conducted by a third-party licensed appraiser and was based upon the income approach (a direct capitalization analysis) and sales comparison approach.

We acquired the Station Interests in a private placement. Cantor Fitzgerald & Co. served as the dealer manager in connection with the private placement, but did not receive any compensation in connection with our acquisition of the Station Interests. The proceeds from the purchase of the Station Interests were paid by the Station DST to an affiliate of CFI. The Station DST is managed by its trust.

### ***8100 Gibbs Way, Landover, MD – Multifamily***

#### *Summerfield DST Interests*

On March 26, 2021, we, through a joint venture, or the Company JV, between us and affiliates of our sponsor acquired 25% of the interests, which we refer to as the Company Interests, in a Delaware Statutory Trust, CF Summerfield Multifamily DST, or Summerfield DST, which owns a multifamily residential property located in Landover, MD, or Summerfield Property. The Company JV is currently owned 100% by our operating partnership. The remaining 75% of the interests in the Summerfield DST are owned by affiliates of our sponsor and were sold to third-party investors through a private placement transaction, or the DST Offering, the dealer manager of which was Cantor Fitzgerald & Co. The Summerfield DST's trust manager is a wholly-owned subsidiary of our operating partnership and its master tenant is a joint venture between a wholly-owned subsidiary of our operating partnership (90%) and affiliates of Hamilton Zanze (10%).

Beginning on the second anniversary of the completion of the DST Offering, we will have the right, but not the obligation, to require each third party investor to exchange their Summerfield DST interests for Class T operating partnership units, or cash; provided, however, that investors will be provided the opportunity to elect to receive certain other classes of operating partnership units in lieu of Class T operating partnership units (subject to meeting certain eligibility criteria). After a one-year holding period, investors who acquire operating partnership units generally have the right to cause our operating partnership to redeem all or a portion of their units for, at our sole discretion, shares of our common stock of the same designation as the operating partnership units, cash, or a combination of both.

#### *Summerfield Property*

The Summerfield Property was acquired by the Summerfield DST at a contract purchase price of \$115,500,000, exclusive of closing costs. The seller of the Summerfield Property was a third party that is not affiliated with us. The Summerfield DST acquired the Summerfield Property with proceeds from a loan described below and equity contributions from the Summerfield DST owners, including the Company JV. The master tenant of the Summerfield DST has engaged affiliates of Hamilton Zanze to act as property manager of the Summerfield Property pursuant to a property management agreement.

The Summerfield Property is a multifamily property constructed in 2008 and 2012, consists of 452,876 net rentable square feet across nine buildings and is situated on an approximately 12.76-acre site. The Summerfield Property features 32 different floor plans and is comprised of 478 one-, two-, and three-bedroom apartment homes. The apartments units average 947 square feet. Apartment amenities at the Summerfield Property include black or stainless-steel appliances, wood cabinetry, faux-granite laminate or granite countertops, vinyl hardwood and ceramic tile flooring, kitchen island, ceramic tile tub surround, individual washer and dryer, private patio or balcony, nine-foot ceilings, crown molding, two-inch window blinds, walk-in closets and linen closets.

#### ***Valencia DST Interests***

On July 7, 2021, we, together with an affiliate of our sponsor, acquired interests in the Valencia DST, which purchased the Valencia Property for a purchase price of \$92 million, exclusive of closing costs. We acquired our interests in the Valencia DST for \$3.9 million. As of December 31, 2023, we own 10% of the interests in the Valencia DST. The remaining 90% of the Valencia DST interests are held by unaffiliated third party investors.

### ***Kacey DST Interest***

On November 4 2021, we, together with an affiliate of our sponsor, acquired interests in the Kacey DST which purchased the Kacey Property for a purchase price of \$67 million, exclusive of closing costs. We acquired our interests in the Kacey DST for \$2.8 million. As of September 30, 2023, we own 10% of the interests in the Kacey DST. The remaining 90% of the Kacey DST interests are held by unaffiliated third-party investors.

### ***Industry DST Interests***

On December 6 2022, we, together with an affiliate of our sponsor, acquired interests in the Industry DST which purchased the Industry Property for a purchase price of \$81.0 million, exclusive of closing costs. We acquired our interests in the Industry DST for \$4.1 million. As of December 31, 2023, we own 10% of the interests in the Industry DST. The remaining 90% of the Industry DST interests are held by unaffiliated third-party investors.

### ***ON3 DST Interests***

On April 22, 2022, we, together with an affiliate of our sponsor, acquired interests in the ON3 DST, which purchased the ON3 Property for a purchase price of approximately \$131.7 million exclusive of closing costs. We acquired the interests in the ON3 DST for \$6.8 million. As of December 31, 2023, we own 10% of the interests in the ON3 DST.

### ***West End DST Interests***

On August 9, 2022, we, together with an affiliate of our sponsor, acquired interests in the West End DST, which purchased the West End Property for a purchase price of approximately \$69.4 million exclusive of closing costs. We acquired our interests in the West End DST for \$4.6 million. As of December 31, 2023, we own 10% of the interests in the West End DST.

### ***Palms DST Interests***

On August 31, 2022, we, together with an affiliate of our sponsor, acquired interests in the Palms DST, which purchased the Palms Property for a purchase price of approximately \$48.0 million exclusive of closing costs. We acquired our interests in the Palms DST for \$3.2 million. As of December 31, 2023, we own 10% of the interests in the Palms DST.

### ***Mount Comfort Land***

On October 12, 2022, we, through a wholly-owned subsidiary, acquired a 100% interest in 1-acre of land leased to Amazon.com located in the Mount Comfort Land for a purchase price of \$445,000, exclusive of closing costs.

### ***Pearland DST Interests***

On June 30, 2023, we, together with an affiliate of our sponsor, acquired interests in the Pearland DST, which purchased the Pearland Property for a purchase price of \$40.3 million exclusive of closing costs. We acquired our interests in the Pearland DST for \$1.0 million. As of December 31, 2023, we own 5% of the interests in the Pearland DST.

### ***CF Net Lease Portfolio IV DST Offering***

On September 1, 2017, we began acquiring beneficial interests in CF Net Lease Portfolio IV DST, or the Walgreens DST, a Delaware statutory trust. We have purchased 100% of interests in Walgreens DST for the aggregate purchase price of \$13.9 million. Prior to the acquisition of the interests, the Walgreens DST was an indirect wholly-owned subsidiary of our sponsor.

On November 15, 2016, the Walgreens DST acquired the fee simple interest in seven retail properties, or the DST Properties, for a total purchase price of \$36,317,830, including related acquisition expenses. The purchase price included \$22,495,184 in proceeds from the DST Loan (as defined below).

We acquired the beneficial interests in a private placement. Cantor Fitzgerald & Co. acted as a broker dealer in connection with the private placement, but did not receive any compensation in connection therewith. The proceeds from the purchase of the Interests were paid by the DST to an affiliate of our sponsor.

The Walgreens DST acquired the Walgreens DST Properties from Walgreens in a sale-leaseback transaction.

The Walgreens DST Properties are 100% leased to Walgreens. Walgreens is rated investment grade by Moody's and Standard & Poor's. In addition to base rent, the leases require the tenant to pay substantially all operating expenses, including repairs and maintenance as well as real estate taxes.

The Walgreens DST Properties are located in Allendale and Marquette, Michigan, Cincinnati, Ohio, Edmond, Lawton and McAlester, Oklahoma and Russellville, Arkansas.

On November 23, 2021, we, our operating partnership and Walgreens DST entered into a managing broker-dealer agreement, or DST Dealer Manager Agreement, with Cantor Fitzgerald & Co., an affiliate of our sponsor and advisor and the dealer manager for this offering, pursuant to which the dealer manager agreed to conduct a private placement offering, or the DST offering, of up to \$21,620,000 of the DST's beneficial interests representing 100% of the interests to third party investors on a "best efforts" basis. We, through our operating partnership, owned 100% of the interests prior to the launch of the offering. Pursuant to the Amended DST Agreement (as defined and described below), beginning on the second anniversary of the completion of the DST offering, our operating partnership will have the right, which we refer to as the fair market value option, but not the obligation, to require each third party investor to exchange his, her or its interests for Class T OP Units or cash (subject to a cap); provided, however, that investors will be provided the opportunity to elect to receive certain other classes of OP Units in lieu of Class T OP Units (subject to meeting certain criteria). After a one-year holding period, investors who acquire OP Units will generally have the right to cause the operating partnership to redeem all or a portion of their OP Units for, at our sole discretion, shares of our common stock of the same designation as the OP Units, cash, or a combination of both.

Under the DST Dealer Manager Agreement, the DST paid to the dealer manager upfront selling commissions and upfront dealer manager fees, some of which may be waived or reallocated to participating broker-dealers. In addition, the dealer manager may receive an ongoing distribution fee, which may continue for so long as the investor in the DST offering holds OP Units or shares of our common stock, subject to underwriting compensation limits applicable to such shares of stock.

In addition, the DST is obligated to pay organization and offering expenses for the DST offering (other than selling commissions and the dealer manager fee). These expenses may include reimbursements for the reasonable bona fide due diligence expenses of participating broker-dealers or registered investment advisers, supported by detailed and itemized invoices, legal fees of the dealer manager, customary promotional items, customary travel, lodging, meals and reasonable entertainment expenses incurred in connection with the DST offering, and costs and expenses of conducting educational conferences and seminars, attending broker-dealer or registered investment adviser sponsored conferences, or educational conferences sponsored by us.

The DST Dealer Manager Agreement contains standard representations, warranties and covenants of the DST and the dealer manager. The operating partnership, the dealer manager and the DST have each also agreed to provide indemnification as set forth in the DST Dealer Manager Agreement. The DST may terminate the DST offering at any time before the offering expiration date. In February 2021, the offering concluded after \$21,620,000 was raised and 100% of the interest sold.

In connection with the DST offering, on November 23, 2021, CF Net Lease Portfolio Depositor, the operating partnership, CF Net Lease Portfolio Manager IV, LLC and Delaware Trust Company entered into an amended and restated trust agreement of CF Net Lease Portfolio IV DST, or the Amended DST Trust Agreement. The Amended DST Trust Agreement sets forth the terms of the fair market value option as described above. CF Net Lease Portfolio Manager IV, LLC, an affiliate of our advisor and sponsor, will continue to be engaged to act as the manager of the DST.

## **Investments in Debt Securities, at Fair Value**

### ***Commercial Mortgage-Backed Securities***

As of December 31, 2023, the Company's investment in debt securities consisted of CMBS, which are securities backed by one or more mortgage loans secured by real estate assets, corporate bonds, term loans, mezzanine loans, and other debt issued by real estate-related companies or secured by real estate assets. These financial instruments are reported at fair value. CMBS debt securities are presented at fair value in the Company's consolidated balance sheets. Interest income and changes in fair value of these debt securities are recognized as net gains (losses) from investment in debt securities in the Company's consolidated statements of operations. During the year ended December 31, 2023, the Company recognized a net gain of \$603,169 on these securities. The Company generally determines the fair value of its investments in debt securities by utilizing third-party pricing service providers whenever available.

In determining the fair value of a particular investment, pricing service providers may use broker-dealer quotations. The broker-dealers' internal models for securities generally consider the attributes applicable to a particular class of security (e.g., credit rating, seniority), current market data, and estimated cash flows for each security.

## **Our Borrowings**

### ***Property Mortgage Loans***

On July 11, 2017, in connection with the purchase of the GR Property, a wholly owned subsidiary of our operating partnership entered into a loan agreement, or the GR Loan, with UBS AG with an outstanding principal amount of \$4,500,000. The GR Loan provides for monthly interest payments and bears interest at an initial fixed rate of 4.11% per annum through the anticipated repayment date, July 6, 2027, and thereafter at a revised interest rate of 3.00% per annum plus the greater of the initial interest rate or the 10 year swap yield through the maturity date June 30, 2032.

On February 1, 2018, in connection with the purchase of the FM Property, the FM Property SPE entered into a loan agreement, or the FM Loan, with UBS AG with an outstanding principal amount of \$21,000,000. The FM Loan provides for monthly interest payments and bears interest at an initial fixed rate of 4.43% per annum through the anticipated repayment date, February 6, 2028, or the FM Anticipated Repayment Date, and thereafter at revised rate of 3.00% per annum plus the greater of the initial interest rate or the 10 year swap yield as of the first business day after the FM Anticipated Repayment Date.

On July 31, 2018, in connection with the purchase of the CO Property, the CO Property SPE entered into a loan agreement, the CO Loan, with a related party, CCRE, with an outstanding principal amount of \$26,550,000. The CO Loan provides for monthly interest payments and bears interest at an initial fixed rate of 4.94% per annum through the anticipated repayment date, August 6, 2028, or the CO Anticipated Repayment Date, and thereafter at an increased rate of 2.50% per annum plus the greater of the initial interest rate or the 10 year swap yield as of the first business day after the CO Anticipated Repayment Date.

On November 15, 2016, in connection with the purchase of the DST Properties, the Walgreens DST entered into a loan agreement, or the DST Loan with Citigroup Global Markets Realty Corp. with an outstanding principal amount of \$22,495,184. The DST Loan provides for monthly interest payments and bears interest at an initial



fixed rate of 4.59% per annum through anticipated repayment date, December 1, 2026, or the DST Anticipated Repayment Date, and thereafter at an increased rate of 3.00% per annum plus the greater of the initial interest rate or the 10 year swap yield as of the first business day after the DST Anticipated Repayment Date.

On November 26, 2019, in connection with the purchase of the Buchanan Property, the Buchanan Property SPE entered into a loan agreement, or the Buchanan Loan, with Goldman Sachs Bank USA with an outstanding principal amount of \$9,600,000. The Buchanan Loan provides for monthly interest payments and bears interest at an initial fixed rate of 3.52% per annum through the anticipated repayment date, December 6, 2029, or the Buchanan Anticipated Repayment Date, and thereafter at revised rate of 2.50% per annum plus the greater of the initial interest rate or the 10 year swap yield as of the first business day after the Buchanan Anticipated Repayment Date.

On February 25, 2021, in connection with the purchase of the Keller Property, an indirect subsidiary of our operating partnership, 3221 Keller Springs Road Owner, LLC, or the Keller SPE, entered into a loan agreement, or the Keller Loan, with CBRE Multifamily Capital, Inc., or the Keller Lender, with an outstanding principal amount of \$31,277,000. The Loan provides for monthly interest payments and bears interest at an initial floating rate of 2.203% per annum (which will fluctuate monthly), through the maturity date of March 1, 2031. One year after the effective date of the Keller Loan, the Keller SPE has the option to convert the Keller Loan to a 7-year or 10-year fixed rate loan, subject to the conditions set forth in the loan agreement.”). Prior to the funding of the Keller Loan, the Company entered into a rate cap agreement with SMBC Capital Markets, Inc., or the Cap Seller, in which the Cap Seller agrees to make payments to the Company commencing on February 25, 2021 until March 1, 2024. Under the terms of the rate cap agreement, the Cap Seller is obligated to make payments to the Company in the event that 30-Day Average SOFR exceeds the capitalization rate of 1.24%. After one year, the Keller SPE may voluntarily prepay all or a portion of the unpaid principal balance of the Keller Loan and all accrued interest thereon and other sums due under the Keller Loan, provided that the Company provides the Keller Lender with prior notice of such prepayment and a prepayment premium of 1% of the principal being prepaid.

On March 26, 2021, in connection with the purchase of the Summerfield Property, the Summerfield DST entered into a loan agreement, or the Summerfield Loan, with Arbor Private Label, LLC for an outstanding amount of \$76,575,000. The Summerfield Loan provides for monthly interest payments and bears a fixed interest rate of 3.650% per annum, through the maturity date of April 1, 2031.

On July 7, 2021, in connection with the purchase of the Valencia Property, the Valencia DST entered into a loan agreement, or the Valencia Loan with The Northern Trust Company, or the Valencia Lender, for an outstanding amount of \$55,200,000. The Valencia Loan provides for monthly interest payments and bears interest on (i) one hundred ninety-five basis points (1.95%) or (ii) the sum of Auto LIBOR plus the Rate Margin of (1.95%), through the maturity date of July 8, 2031. Prior to the funding of the Valencia Loan, the Company entered into an interest rate swap agreement with The Northern Trust Company, or the Valencia Swap Counterparty, which calls for the Company to pay a fixed rate of 3.39% per annum on the swap, or the Valencia Swap, with a notional of \$55,200,000 in exchange for a variable rate of SOFR plus 203 basis points to be paid by the Valencia Swap Counterparty.

On November 4, 2021, in connection with the purchase of the Kacey Property, the Kacey DST entered into a loan agreement, or the Kacey Loan, with Arbor Private Label, LLC for an outstanding principal amount of \$40,640,000. The Kacey Loan provides for monthly interest payments and bears a fixed interest rate of 3.536% per annum, through the maturity date of December 1, 2031.

On December 6, 2021, in connection with the purchase of the Industry Property, the Industry DST entered into a loan agreement, or the Industry Loan, with Arbor Private Label, LLC for an outstanding principal amount of \$43,200,000. The Industry Loan provides for monthly interest payments and bears a fixed interest rate of 3.357% per annum, through the maturity date of January 1, 2032.

On April 22, in connection with the purchase of the ON3 Property, the ON3 DST entered into a loan agreement, or the ON3 Loan Agreement, with JP Morgan Asset Management for \$66,731,250. The ON3 Loan provides for monthly interest payments at an initial fixed rate equal to 4.073%, beginning June 2022. All outstanding principal and interest of the ON3 Loan is payable on or before May 1, 2032.

On August 9, 2022, in connection with the purchase of the West End Property, the West End DST entered into a loan agreement, or the West End Loan, with JP Morgan Investment Management Inc for an outstanding principal amount of \$29,000,000. The West End Loan provides for monthly interest payments and bears a fixed interest rate of 4.754% per annum, through the maturity date of September 1, 2032.

On August 31, 2022, in connection with the purchase of the Palms Property, the Palms DST entered into a loan agreement, or the Palms Loan, with JP Morgan Chase Bank for an outstanding principal amount of \$20,000,000. The Palms Loan provides for monthly interest payments and bears a fixed interest rate of 4.625% per annum, through the maturity date of September 1, 2032.

On June 30, 2023, in connection with the purchase of the Pearland Property, the Pearland DST entered into a loan agreement, or the Pearland Loan, with JP Morgan Asset Management for an outstanding principal amount of \$22,500,000. The Pearland Loan provides for monthly interest payments and bears a fixed interest rate of 5.820% per annum, through the maturity date of July 1, 2033.

#### ***Credit Facility—Citizens Credit Facility***

On July 23, 2021, we, our operating partnership, or the Borrower, 651 E Corporate Drive, LLC, or the Hoya Property Owner, 10801 Madison Avenue Owner, LLC, or the Amazon Property Owner, and North De Anza Boulevard, LLC, or the De Anza Property Owner, each an indirect subsidiary of ours, pursuant to a credit agreement, or the Credit Agreement, with Citizens Bank, N.A., as administrative agent, lead arranger and sole bookrunner, and the lender parties thereto, or the Lender, entered into a senior secured revolving credit facility, or the Citizens Credit Facility, for an aggregate principal amount of \$100.0 million. The Credit Agreement provides the Borrower with the ability from time to time to increase the size of the aggregate commitment made under the agreement by an additional \$100.0 million up to a total of \$200.0 million, subject to receipt of lender commitments and other conditions. The maturity date of the Citizens Credit Facility is July 23, 2024, and may be extended pursuant to two one-year extension options, subject to continuing compliance with the financial covenants and other customary conditions and the payment of an extension fee. On January 26, 2023, the Credit Facility Agreement was amended to reflect the transition of the interest rate from LIBOR benchmark to SOFR benchmark. At the Borrower's election, borrowings under the Credit Facility Agreement will be charged interest based on (i) a term SOFR rate plus a margin ranging from 1.75% to 2.25%, or (ii) an alternative base rate plus a margin ranging from 0.75% to 1.25%, depending on our loan to value ratio. Borrowings under the Credit Agreement are available for general corporate purposes, including but not limited to the acquisition and operation of permitted investments. Borrowings under the Credit Agreement are guaranteed by us and certain of our subsidiaries. The Credit Agreement requires the maintenance of certain corporate financial covenants, including covenants concerning: (i) consolidated net worth; (ii) consolidated fixed charge coverage ratio; (iii) consolidated total leverage ratio; (iv) minimum liquidity; and (v) permitted indebtedness, as well as certain collateral pool financial covenants.

In addition, the Credit Agreement contains customary affirmative and negative covenants, which, among other things, require the Borrower to deliver to the Lenders specified quarterly and annual financial information, and limit the Borrower and/or us, subject to various exceptions and thresholds, from: (i) creating liens (other than certain permitted liens) on the unencumbered asset pool; (ii) merging with other companies (other than certain permitted mergers); (iii) selling all or substantially all of its assets or properties; (iv) transferring a material interest in the Borrower; (v) entering into certain transactions with affiliates, unless such transactions are on terms obtainable on arms-length transactions; (vi) making certain types of investments; and (vii) if in default under the Credit Agreement, making certain distributions.

The Credit Agreement permits voluntary prepayment of principal and accrued interest and contains various customary events of default, which are described therein. As is customary in such financings, if an event of default occurs under the Credit Agreement, the Lender may accelerate the repayment of amounts outstanding under the Credit Agreement and exercise other remedies subject, in certain instances, to the expiration of an applicable cure period.

As of December 31, the Lewisville Property, the Madison Ave Property, the De Anza Property, the Longmire Property, and the Fisher Road Property were pledged as collateral properties under the Citizens Facility. As of December 31, 2023, the amount outstanding under the Citizens Facility was approximately \$64.5 million.

Information on the Company's Loans payable as of September 30, 2023 and December 31, 2022 is as follows:

Description	September 30, 2023															
	GR Property	FM Property	CO Property	DST Properties	Buchanan Property	Keller Springs Property	Summer field Property	Valencia Property	Credit Facility	Kacey Property	Industry Property	ON3 Property	West End Property	Palms Property	Pearland Property	Total
Principal amount of loans	\$4,500,000	\$21,000,000	\$26,550,000	\$22,495,184	\$9,600,000	\$31,277,000	\$76,575,000	\$55,200,000	\$41,000,000	\$40,640,000	\$43,200,000	\$66,731,250	\$29,000,000	\$20,000,000	\$22,500,000	\$510,268,434
Less: Deferred financing costs, net of accumulated amortization of	(30,947)	(97,394)	(155,915)	(207,416)	(62,127)	(247,450)	(164,724)	(693,744)	(575,968)	(308,645)	(371,466)	(825,674)	(396,779)	(347,684)	(423,044)	(4,908,977)
Loans payable, net of deferred financing costs and amortization	\$4,469,053	\$20,902,606	\$26,394,085	\$22,287,768	\$9,537,873	\$31,029,550	\$76,410,276	\$54,506,256	\$40,424,032	\$40,331,355	\$42,828,534	\$65,905,576	\$28,603,221	\$19,652,316	\$22,076,956	\$505,359,457

Description	December 31, 2022														
	GR Property	FM Property	CO Property	DST Property	Buchanan Property	Keller Springs Property	Summer field Property	Valencia Property	Credit Facility	Kacey Property	Industry Property	ON3 Property	West End Property	Palms Property	Total
Principal amount of loans	\$4,500,000	\$21,000,000	\$26,550,000	\$22,495,184	\$9,600,000	\$31,277,000	\$76,575,000	\$55,200,000	\$20,000,000	\$40,640,000	\$43,200,000	\$66,731,250	\$29,000,000	\$20,000,000	\$466,768,434
Less: Deferred financing costs, net of accumulated amortization of	(37,094)	(111,249)	(168,933)	(226,562)	(67,430)	(272,397)	(181,140)	(760,499)	(655,325)	(336,894)	(405,113)	(897,571)	(430,026)	(376,815)	(4,927,048)
Loans payable, net of deferred financing costs and amortization	\$4,462,906	\$20,888,751	\$26,381,067	\$22,268,622	\$9,532,570	\$31,004,603	\$76,393,860	\$54,439,501	\$19,344,675	\$40,303,106	\$42,794,887	\$65,833,679	\$28,569,974	\$19,623,185	\$461,841,386

## SELECTED FINANCIAL DATA

The information below should be read in conjunction with “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our consolidated financial statements and the related notes thereto included in our Quarterly Report on Form 10-Q for the nine months ended September 30, 2023 and our Annual Report on Form 10-K as of and for the year ended December 31, 2022, which is incorporated by reference into this prospectus.

	<u>As of and for the nine months ended September 30, 2023 (unaudited)</u>	<u>As of and for the year ended December 31, 2022</u>
<b>Operating Data:</b>		
Total revenues .....	\$ 68,109,003	\$ 72,843,136
Total operating expenses .....	62,645,549	(67,287,872)
Total other income (expense) .....	<u>(15,386,087)</u>	<u>(16,963,532)</u>
<b>Net income (loss) .....</b>	<b><u>\$ (9,922,633)</u></b>	<b><u>\$ (11,408,268)</u></b>
<b>Per Share Data:</b>		
Net income (loss) per share of common stock .....	<u>\$ (0.41)</u>	<u>\$ (0.38)</u>
<b>Balance Sheet Data:</b>		
Total assets .....	\$1,150,425,346	\$1,121,936,771
Total liabilities .....	\$ 570,590,507	\$ 526,607,134
Total equity .....	\$ 579,834,839	\$ 595,329,637

## NET ASSET VALUE CALCULATION AND VALUATION PROCEDURES

### Valuation Procedures

Our board of directors, including a majority of our independent directors, has adopted valuation procedures that contain a comprehensive set of methodologies to be used in connection with the calculation of our NAV. The overarching principle of these procedures is to produce an NAV that represents a fair and accurate estimate of the value of our assets or the price that would be received for our assets in an arm's-length transaction between market participants, less our liabilities. As a public company, we are required to issue financial statements generally based on historical cost in accordance with GAAP. To calculate our NAV for the purpose of establishing a purchase and repurchase price for our shares, we have adopted a model, as explained below, which adjusts the value of certain of our assets from historical cost to fair value. As a result, our NAV may differ from our financial statements. When the fair value of our assets is calculated for the purposes of determining our NAV per share, the calculation is done using the fair value methodologies detailed within the FASB Accounting Standards Codification under Topic 820, Fair Value Measurements and Disclosures. However, our valuation procedures and our NAV are not subject to GAAP and will not be subject to independent audit. Our NAV may differ from equity reflected on our audited financial statements, even if we are required to adopt a fair value basis of accounting for GAAP financial statement purposes in the future. In addition, NAV is not a measure used under GAAP and the valuations of and certain adjustments made to our assets and liabilities used in the determination of NAV will differ from GAAP. You should not consider NAV to be equivalent to stockholders' equity or any other GAAP measure.

### Independent Valuation Firm

We engaged the Independent Valuation Firm to serve as our independent valuation firm with respect to the valuation of our assets and liabilities and the calculation of our monthly NAV. The compensation we pay to the Independent Valuation Firm will not be based on the results of their calculation of NAV. Our advisor, with the approval of our board of directors, including a majority of our independent directors, may engage additional independent valuation firms as our portfolio grows. While our Independent Valuation Firm is responsible for reviewing our property valuations and assisting with the NAV calculation, our Independent Valuation Firm is not responsible for the determination of our NAV. Upon commencing monthly valuations, our advisor will be ultimately responsible for the final determination of our NAV.

The Independent Valuation Firm may be replaced at any time, in accordance with agreed-upon notice requirements, by a majority vote of our board of directors, including a majority of our independent directors. We will promptly disclose any changes to the identity or role of the independent valuation firm in reports we publicly file with the SEC.

The Independent Valuation Firm will discharge its responsibilities in accordance with our valuation procedures described below and under the oversight of our board of directors. Our board of directors will not be involved in the monthly valuation of our assets and liabilities, but will periodically receive and review such information about the valuation of our assets and liabilities as it deems necessary to exercise its oversight responsibility. Our NAV per share for each class of shares will be calculated by the Independent Valuation Firm, and such calculation will be reviewed and confirmed by our advisor. Pursuant to our agreement with the Independent Valuation Firm, our advisor will receive appraisal reports from our Independent Valuation Firm or third-party appraisal firms that have been reviewed by the Independent Valuation Firm and the advisor. The appraisals performed by the Independent Valuation Firm or independent third-party appraisal firms and reviewed by Independent Valuation Firm will be one of several components considered by our advisor in determining our NAV per share for each class of shares.

Our Independent Valuation Firm and its affiliates may from time to time in the future perform other commercial real estate and financial advisory services for our advisor and its related parties, or in transactions related to the

properties that are the subjects of the valuations being performed for us, or otherwise, so long as such other services do not adversely affect the independence of the applicable appraiser as certified in the applicable appraisal report.

## **Real Property Portfolio Valuation**

### *Real Property Valuation Process*

The real property portfolio valuation, which will be the largest component of our NAV calculation, will be provided to us by the Independent Valuation Firm on a monthly basis. The foundation for this valuation will be periodic appraisals, as discussed further below. However, on a monthly basis, the Independent Valuation Firm will adjust a real property's valuation, as necessary, based on known events, as conveyed by our advisor, that have a material impact on the most recent value. For example, an unexpected termination or renewal of a material lease, a material change in vacancies, an unanticipated structural or environmental event at a property or material capital market events, among others, may cause the value of a property to change materially. Using information derived from a property's most recent appraisal, the Independent Valuation Firm will determine the appropriate adjustment to be made to the estimated value of the property based on the material event. The Independent Valuation Firm will collect all reasonably available material information that it deems relevant in valuing our real estate portfolio. The Independent Valuation Firm will rely in part on property-level information provided by the advisor, including (i) historical and projected operating revenues and expenses of the property; (ii) lease agreements on the property; and (iii) information regarding recent or planned capital expenditures. Upon becoming aware of the occurrence of a material event impacting property-level information, the advisor will promptly notify the Independent Valuation Firm. Any adjustment to the valuation of a property will be performed as soon as possible after a determination that a material change with respect to such property has occurred and the financial effects of such change are quantifiable by the Independent Valuation Firm. However, rapidly changing market conditions or material events may not be immediately reflected in our monthly NAV. The resulting potential disparity in our NAV may inure to the benefit of redeeming stockholders or non-redeeming stockholders and new purchasers of our common stock, depending on whether our published NAV per share for such class is higher or lower than the adjusted value of our NAV after material events have been considered. Any such monthly adjustments will be estimates of the market impact of material events to the appraised value of the property, based on assumptions and judgments that may or may not prove to be correct, and may also be based on limited information readily available at that time. As part of the oversight by our board of directors, on a periodic basis the Independent Valuation Firm will provide our board of directors with reports on its valuation activity.

We expect the primary methodology used to value properties will be the income approach, whereby value is derived by determining the present value of an asset's stream of future cash flows (for example, discounted cash flow analysis). Consistent with industry practices, the income approach incorporates subjective judgments regarding comparable rental and operating expense data, the capitalization or discount rate, and projections of future rent and expenses based on appropriate evidence. Other methodologies that may also be used to value properties include sales comparisons and replacement cost approaches. Because the property valuations will involve significant professional judgment in the application of both observable and unobservable attributes, the calculated value of our real property assets may differ from their actual realizable value or future appraised value. Because the valuations performed involve subjective judgments and do not reflect transaction costs associated with property dispositions, our monthly real estate portfolio valuation may not reflect the liquidation value or net realizable value of our properties.

Each individual appraisal report for our assets (discussed further below) will be addressed solely to our company to assist the Independent Valuation Firm in providing our monthly real property portfolio valuation. Our Independent Valuation Firm's valuation reports will not be addressed to the public and may not be relied upon by any other person to establish the value of our common stock and will not constitute a recommendation to any person to purchase or sell any shares of our common stock. In preparing its valuation reports, our Independent



Valuation Firm will not solicit third-party indications of interest for our common stock in connection with possible purchases thereof or the acquisition of all or any part of our company.

In conducting its investigation and analyses, our Independent Valuation Firm will take into account customary and accepted financial and commercial procedures and considerations as it deems relevant, which may include, without limitation, the review of documents, materials and information relevant to valuing the property that are provided by us or our advisor. The Independent Valuation Firm will assume and rely upon the accuracy and completeness of all such information and of all information supplied or otherwise made available to it by any other party and will not undertake any duty or responsibility to verify independently any of such information. With respect to operating or financial forecasts and other information and data to be provided to or otherwise to be reviewed by or discussed with our Independent Valuation Firm, our Independent Valuation Firm will assume that such forecasts and other information and data were reasonably prepared in good faith on bases reflecting the best currently available estimates and judgments of our management, board of directors and our advisor, and will rely upon us to advise our Independent Valuation Firm promptly if any material information previously provided becomes inaccurate or was required to be updated during the period of its review.

In performing its analyses, our Independent Valuation Firm will make numerous other assumptions with respect to industry performance, general business, economic conditions and other matters, many of which are beyond its control and our control, as well as certain factual matters. For example, unless specifically informed to the contrary, our Independent Valuation Firm will assume that we have clear and marketable title to each real estate property valued, that no title defects exist, that improvements were made in accordance with law, that no hazardous materials are present or were present previously, that no deed restrictions exist, and that no changes to zoning ordinances or regulations governing use, density or shape are pending or being considered. Furthermore, our Independent Valuation Firm's analysis, opinions and conclusions will necessarily be based upon market, economic, financial and other circumstances and conditions existing at or prior to the valuation, and any material change in such circumstances and conditions may affect our Independent Valuation Firm's analysis and conclusions. Our Independent Valuation Firm's reports may contain other assumptions, qualifications and limitations that qualify the analysis, opinions and conclusions set forth therein.

The analyses to be performed by our Independent Valuation Firm will not address the market value of our common stock. Furthermore, the prices at which our real estate properties may actually be sold could differ from our Independent Valuation Firm's analyses. Consequently, the analyses contained in our Independent Valuation Firm's individual valuation reports should not be viewed as being determinative of the value of our common stock.

#### *Property Appraisals*

For the purposes of calculating our monthly NAV, our properties will initially be valued at cost, which we expect to represent fair value at that time, subject to any variation pursuant to our valuation guidelines. In accordance with GAAP, we determine whether the acquisition of a property qualifies as an asset acquisition or business combination. We capitalize acquisition related costs associated with asset acquisitions and expense such costs associated with business combinations. Periodic real property appraisals will serve as the foundation of the Independent Valuation Firm's monthly real property portfolio valuation. Our real properties consolidated under GAAP will be appraised no less than annually.

Appraisals will be performed in accordance with the Code of Ethics and the Uniform Standards of Professional Appraisal Practices, or USPAP, the real estate appraisal industry standards created by The Appraisal Foundation. Each appraisal must be reviewed, approved and signed by an individual with the professional designation of MAI (Member of the Appraisal Institute), which includes requirements relating to experience, education and training. The Independent Valuation Firm will be involved with the appraisal process and may provide appraisals for our properties. If we determine to engage other independent valuation firms ("Appraisal Firms") to provide appraisals for our properties, the Appraisal Firms will be chosen from a list of firms pre-approved by our board

of directors, including a majority of our independent directors, based on their qualifications. The Independent Valuation Firm will review the appraisals before reflecting any valuation change in its monthly valuation of our real property portfolio. Real estate appraisals will be reported on a free-and-clear basis (for example no mortgage), irrespective of any property-level financing that may be in place.

#### *Joint Ventures and Developments*

Investments in joint ventures that hold properties will be valued by the Independent Valuation Firm in a manner that is consistent with the procedures described above and approved by our board of directors, including a majority of our independent directors, with the agreed approach taking into account the size of our investment in the joint venture, the assets owned by the joint venture, the terms of the joint venture including any promotional interests, minority discount and control, if applicable, and other relevant factors. Development assets, if any, will be valued at cost plus capital expenditures and will join the appraisal cycle upon the earlier of stabilization or 12 months from substantial completion.

#### **Valuation of Real Estate-Related Assets**

Real estate-related assets that we own or may acquire include, among other things, debt and equity interests backed principally by real estate, such as mortgages, preferred equity, mezzanine loans and real estate-related securities, including CMBS or structured notes that are collateralized by pools of real estate debt investments, REIT debt, REIT preferred stock, REIT common shares or equity interests in private companies that own real estate assets. In general, real estate-related assets will be valued in the month in which they were originated or acquired at our origination or acquisition cost and will be revalued each month thereafter according to the procedures specified below. Pursuant to our valuation procedures, our advisor will approve the pricing sources of our real estate-related assets. In general, these sources will be third parties other than our advisor. However, we may utilize the advisor as a pricing source if the asset is immaterial or there are no other pricing sources reasonably available, and provided that our board of directors, including a majority of our independent directors, must approve the initial valuation performed by our advisor and any subsequent significant adjustments made by our advisor. The third-party pricing source may, under certain circumstances, be our Independent Valuation Firm, subject to their acceptance of the additional engagement.

#### *Mortgages, Preferred Equity, Mezzanine Loans and Real Estate-Related Securities*

Revaluations of mortgages, preferred equity and mezzanine loans will reflect the contractual terms of the mortgage, preferred equity or mezzanine loan, assessments of the changes in value of the underlying real estate and other collateral securing such investment, and available market data for comparable mortgages, preferred equity and mezzanine loans. Market discount rates are then determined based on the above review and are applied to the stream of future payments from such real estate-related asset. Real estate related securities will be valued based on a review of publicly available market data for such assets.

#### *Private Real Estate-Related Assets*

Investments in privately placed debt instruments and securities of real estate-related operating businesses (other than joint ventures), such as real estate development or management companies, will be valued as determined in good faith by the pricing source. In evaluating the value of our interests in certain commingled investment vehicles (such as private real estate funds), values periodically assigned to such interests by the respective issuers or broker-dealers may be relied upon.

#### *Publicly Traded Real Estate-Related Assets*

Publicly traded debt and equity real estate-related securities (such as REIT bonds) that are not restricted as to salability or transferability will be valued monthly on the basis of publicly available information. Generally, to

the extent the information is available, such securities will be valued at the last trade of such securities that was executed at or prior to closing on the valuation day or, in the absence of such trade, the midpoint between the last “bid” price and “ask” price. The value of publicly traded debt and equity real estate-related securities that are restricted as to salability or transferability may be adjusted by the pricing source for a liquidity discount. In determining the amount of such discount, consideration will be given to the nature and length of such restriction and the relative volatility of the market price of the security.

#### *Valuation of Liquid Non-Real Estate-Related and Other Tangible Assets*

Liquid non-real estate-related assets include credit rated government and corporate debt securities, publicly traded equity securities and cash and cash equivalents. Liquid non-real estate-related assets included in our NAV will be valued monthly based on publicly available information and their GAAP values. Other tangible assets, such as accounts receivables and prepaid items will be included in our NAV at their GAAP values.

#### **Valuation of Real Estate-Related Liabilities and Other Tangible Liabilities**

Our real estate-related liabilities consist of financing for our portfolio of assets. These liabilities will generally be included in our determination of NAV at fair value as determined by our Independent Valuation Firm and reviewed by our advisor, however if the loan amount exceeds the value of the underlying real property and the loan is otherwise a non-recourse loan, we will assume a value of zero for purposes of the real property and the loan in the determination of our NAV. Tangible other liabilities such as accounts payable and accrued expenses will be included in our NAV based on their GAAP values. For purposes of calculating our NAV, the organization and offering costs paid by our advisor through May 18, 2018 will not be reflected in our NAV until we reimburse the advisor for these costs.

#### **NAV and NAV Per Share Calculation**

We have seven classes of shares of our common stock: Class AX shares, Class TX shares, Class IX shares, Class T shares, Class S shares, Class D shares and Class I shares. We are offering four classes of shares in this offering: Class T shares, Class S shares, Class D shares and Class I shares. Our NAV will be calculated for each of these classes by the Independent Valuation Firm. Our board of directors, including a majority of our independent directors, may replace the Independent Valuation Firm with another party, including our advisor, if it is deemed appropriate to do so. Our advisor is responsible for reviewing and confirming our NAV, and overseeing the process around the calculation of our NAV, in each case, as performed by the Independent Valuation Firm.

Each class will have an undivided interest in our assets and liabilities, other than class-specific distribution fees. In accordance with the valuation guidelines, the Independent Valuation Firm will calculate our NAV per share for each class as of the last business day of each month, using a process that reflects several components (each as described above), including the estimated fair value of (1) each of our properties based in part upon individual appraisal reports provided periodically by Appraisal Firms and reviewed by our Independent Valuation Firm, as adjusted where material events have deemed to have occurred by our advisor, (2) our other real estate-related assets and (3) our other assets and liabilities. The contingent reimbursement of sponsor support will not be recorded as a liability until such time as it becomes an obligation that can be reasonably estimated and that the likelihood of any such reimbursement payment is probable. Once the contingent reimbursement of sponsor support is recorded as a liability it will be allocable only to the classes of shares that are IPO shares: Class AX, Class IX and Class TX and will only be included in the NAV calculation for those classes. Liabilities related to distribution fees will be allocable to a specific class of shares and will only be included in the NAV calculation for that class. Operating partnership units will be valued in the same fashion. Our valuation procedures include the following methodology to determine the monthly NAV of our operating partnership and the units. Our operating partnership has classes of units that are each economically equivalent to our corresponding classes of shares. Accordingly, on the last day of each month, the NAV per operating partnership unit of such units equals the NAV per share of the corresponding class. To the extent our operating partnership has classes of units that do

not correspond to a class of our shares, such units will be valued in a manner consistent with these guidelines. The NAV of our operating partnership on the last day of each month equals the sum of the NAVs of each outstanding operating partnership unit on such day.

Our advisor has agreed to pay all of our organization and offering expenses on our behalf (other than selling commissions, dealer manager fees and distribution fees) through May 18, 2018. We began reimbursing our advisor for such costs ratably over the 36 months following May 18, 2018; provided that we will not be obligated to pay any amounts that as a result of such payment would cause the aggregate payments for organization and offering costs paid by the advisor to exceed 1% of gross offering proceeds from our public offerings as of such payment date. For purposes of calculating our NAV, the organization and offering costs paid by our advisor through May 18, 2018 will not be reflected in our NAV until we reimburse the advisor for these costs.

At the end of each month, before taking into consideration repurchases or class-specific expense accruals for that month, any change in our aggregate NAV (whether an increase or decrease) is allocated among each class of shares based on each class's relative percentage of the previous aggregate NAV plus issuances of shares that were effective on the first calendar day of such month. The NAV calculation is available generally within 15 calendar days after the end of the applicable month. Changes in our monthly NAV includes, without limitation, accruals of our net portfolio income, interest expense, the management fee, any accrued performance participation, distributions, unrealized/realized gains and losses on assets, any applicable organization and offering costs and any expense reimbursements. Changes in our monthly NAV also includes material non-recurring events, such as capital expenditures and material property acquisitions and dispositions occurring during the month. On an ongoing basis, our advisor will adjust the accruals to reflect actual operating results and the outstanding receivable, payable and other account balances resulting from the accumulation of monthly accruals for which financial information is available.

Following the aggregation of the net asset values of our investments, the addition of any other assets (such as cash on hand), the deduction of any other liabilities and the allocation of income and expenses, the third-party firm assisting with NAV calculation will incorporate any class-specific adjustments to our NAV, including additional issuances and repurchases of our common stock and accruals of class-specific distribution fees for the month in which the valuation is provided. At the close of business on the date that is one business day after each record date for any declared distribution, which we refer to as the "distribution adjustment date," our NAV for each class will be reduced to reflect the accrual of our liability to pay any distribution to our stockholders of record of each class as of the record date. NAV per share for each class is calculated by dividing such class's NAV at the end of each month by the number of shares outstanding for that class at the end of such month.

The combination of the Class AX NAV, Class TX NAV, Class IX NAV, Class T NAV, Class S NAV, Class D NAV, and Class I NAV, equals the aggregate net asset value of our assets, which will consist almost entirely of the value of our interest in the operating partnership, less our liabilities, including liabilities related to class-specific distribution fees through and including the month of value. The value of our interest in the operating partnership is equal to the excess of the aggregate NAV of the operating partnership over the portion thereof that would be distributed to any limited partners other than us if the operating partnership were liquidated. The aggregate NAV of the operating partnership is the excess of the value of the operating partnership's assets (including the fair value of its properties, real estate-related securities, cash and other investments) over its liabilities (including the fair value of its debt, any declared and accrued unpaid distributions, any accrued performance participation allocation and the expenses attributable to its operations). Our advisor calculates the fair value of the assets and liabilities of the operating partnership as directed by our valuation guidelines based upon values received from various sources, as described in more detail above.

### **Oversight by our Board of Directors**

All parties engaged by us in the calculation of our NAV, including the advisor, will be subject to the oversight of our board of directors. As part of this process, our advisor will review the estimates of the values of our real

property portfolio and real estate-related assets for consistency with our valuation guidelines and the overall reasonableness of the valuation conclusions, and inform our board of directors of its conclusions. Although our Independent Valuation Firm or other pricing sources may consider any comments received from us or our advisor to their individual valuations, the final estimated values of our assets and liabilities will be determined by our advisor.

Our Independent Valuation Firm will be available to meet with our board of directors to review valuation information, as well as our valuation guidelines and the operation and results of the valuation process generally. Our board of directors will have the right to engage additional valuation firms and pricing sources to review the valuation process or valuations, if deemed appropriate.

### **Review of and Changes to Our Valuation Procedures**

Each year our board of directors, including a majority of our independent directors, will review the appropriateness of our valuation procedures. With respect to the valuation of our properties, the Independent Valuation Firm will provide the board of directors with periodic valuation reports. From time to time our board of directors, including a majority of our independent directors, may adopt changes to the valuation procedures if it (1) determines that such changes are likely to result in a more accurate reflection of NAV or a more efficient or less costly procedure for the determination of NAV without having a material adverse effect on the accuracy of such determination or (2) otherwise reasonably believes a change is appropriate for the determination of NAV. We will publicly announce material changes to our valuation procedures or the identity or role of the Independent Valuation Firm.

### **Limitations on the Calculation of NAV**

The overarching principle of our NAV calculation procedures is to produce a NAV that represents a fair and accurate estimate of the value of our assets or the price that would be received for our assets in an arm's-length transaction between market participants, less our liabilities. However, the largest component of our NAV consists of real property investments and, as with any real estate valuation protocol, each property valuation will be based on a number of judgments, assumptions or 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 a different estimate of the value of our real property investments. Although the methodologies contained in the valuation procedures will be designed to operate reliably within a wide variety of circumstances, it is possible that in certain unanticipated situations or after the occurrence of certain extraordinary events (such as a terrorist attack or an act of nature), our ability to implement and coordinate our NAV procedures may be impaired or delayed, including in circumstances where there is a delay in accessing or receiving information from vendors or other reporting agents. Our board of directors may suspend the offering and the repurchase program if it determines that the calculation of NAV may be materially incorrect or there is a condition that restricts the valuation of a material portion of our assets.

### **Relationship between NAV and Our Transaction Price**

Purchases and repurchases of shares of our common stock are not made based on the current NAV per share of our common stock at the time of purchase or repurchase. Generally, our transaction price will equal our prior month's NAV. The transaction price will be the price at which we repurchase shares and the price, together with applicable upfront selling commissions and dealer manager fees, at which we offer shares. Although the transaction price will generally be based on our prior month's NAV per share, such prior month's NAV may be significantly different from the current NAV per share of the applicable class of stock as of the date on which your purchase or repurchase occurs.

In addition, we may offer shares at a price that we believe reflects the NAV per share of such stock more appropriately than the prior month's NAV per share (including by updating a previously disclosed offering price)

or suspend our offering and/or our share repurchase plan in cases where we believe there has been a material change (positive or negative) to our NAV per share since the end of the prior month. In cases where our transaction price is not based on the prior month's NAV per share, the offering price and repurchase price will not equal our NAV per share as of any time.

Our transaction price will be made publicly available by posting it on our website and filing a prospectus supplement with the SEC and in certain cases delivered directly to subscribers. Please see the "How to Subscribe" section of this prospectus for additional information on how we communicate a change in our transaction price and the timing of when we accept subscription requests.

As our upfront selling commissions and dealer manager fees are a percentage of the transaction price, any increase or decrease in our transaction price will have a corresponding impact on the absolute amount of fees paid in connection with your purchase and thus the number of shares you would be able to purchase for the same aggregate amount. For example, an increase in the transaction price after your subscription was submitted would result in fewer shares purchased for the same aggregate amount (inclusive of upfront costs).

### Determination of our NAV per share as of December 31, 2023

#### December 31, 2023 NAV per Share

The following table provides a breakdown of the major components of our NAV pursuant to our valuation guidelines:

<u>Components of NAV</u>	<u>December 31, 2023</u>	<u>November 30, 2023</u>
Investment in real estate . . . . .	\$1,013,298,000	\$1,013,298,000
Investments in real estate-related assets . . . . .	33,609,600	33,618,135
Investment in debt securities . . . . .	9,219,200	8,979,073
Cash and cash equivalents and restricted cash . . . . .	39,892,720	43,860,864
Other assets . . . . .	12,125,637	12,366,677
Debt obligations (at fair market value) . . . . .	(470,173,327)	(455,779,823)
Due to related parties <sup>(1)</sup> . . . . .	(5,742,015)	(5,372,357)
Accounts payable and other liabilities . . . . .	(21,463,942)	(23,529,452)
Accrued performance participation allocation . . . . .	—	—
Distribution fee payable the following month <sup>(2)</sup> . . . . .	(38,200)	(40,322)
Non-controlling interests in subsidiaries . . . . .	(287,590,349)	(297,406,571)
Sponsor support repayment / special unit holder interest in liquidation . . . . .	—	—
Net asset value . . . . .	<u>\$ 323,137,324</u>	<u>\$ 329,994,224</u>
Number of outstanding shares . . . . .	<u>14,633,857</u>	<u>14,785,014</u>

(1) Distribution fee only relates to Class TX, Class T, Class S and Class D shares of common stock.

(2) The distribution fee that is payable as of December 31, 2023 related to Class TX, Class T, Class S and Class D shares of common stock is shown in the table below.

Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.



The following table provides a breakdown of our total NAV and NAV per share by class as of December 31, 2023.

<u>NAV Per Share</u>	<u>Class AX, IX and I Shares</u>	<u>Class TX Shares</u>	<u>Class T Shares</u>	<u>Class D Shares</u>	<u>Class S Shares</u>	<u>Total</u>
Total gross assets at fair value . . . . .	\$ 934,500,432	\$ 13,545,113	\$ 110,743,508	\$ 48,819,519	\$ 536,585	\$ 1,108,145,157
Distribution fees due and payable . . . . .	—	(11,426)	(23,568)	(3,092)	(114)	(38,200)
Debt obligations . . . . .	(396,497,854)	(5,747,037)	(46,987,205)	(20,713,564)	(227,667)	(470,173,327)
Due to related parties . . . . .	(4,842,250)	(70,186)	(573,834)	(252,965)	(2,780)	(5,742,015)
Accounts payable and other liabilities . . . . .	(18,100,572)	(262,359)	(2,145,019)	(945,598)	(10,394)	(21,463,942)
Accrued performance participation allocation . . . . .	—	—	—	—	—	—
Non-controlling interests in subsidiaries . . . . .	(242,525,361)	(3,515,283)	(28,740,607)	(12,669,841)	(139,257)	(287,590,349)
Quarterly NAV . . . . .	\$ 272,534,395	\$ 3,938,822	\$ 32,273,275	\$ 14,234,459	\$ 156,373	\$ 323,137,324
Number of outstanding shares . . . . .	12,340,753	178,873	1,462,448	644,697	7,086	14,633,857
NAV per share . . . . .	<u>\$ 22.08</u>	<u>\$ 22.02</u>	<u>\$ 22.07</u>	<u>\$ 22.08</u>	<u>\$ 22.07</u>	

The following table reconciles stockholders' equity per our unaudited consolidated balance sheet to our NAV:

<u>Reconciliation of Stockholders' Equity to NAV</u>	<u>December 31, 2023</u>
Stockholders' equity under U.S. GAAP . . . . .	\$ 551,506,377
Adjustments:	
Unrealized appreciation of real estate . . . . .	(68,516,759)
Unrealized appreciation of real estate-related assets . . . . .	3,318,926
Organization and offering costs . . . . .	—
Acquisition costs . . . . .	(8,731,008)
Deferred financing costs, net . . . . .	(4,598,656)
Accrued distribution fee <sup>(1)</sup> . . . . .	(3,992)
Accumulated depreciation and amortization . . . . .	93,289,589
Fair value adjustment of debt obligations . . . . .	63,595,107
Deferred rent receivable . . . . .	(11,575,495)
Derivative assets, at fair value . . . . .	(7,556,416)
Non-controlling interests in subsidiaries . . . . .	(287,590,349)
NAV . . . . .	<u>\$ 323,137,324</u>

Note: (1) Accrued distribution fee only relates to Class TX, Class T, Class S and Class D shares of common stock.

The valuations of our real properties as of December 31, 2023 were provided by the Independent Valuation Advisor or third-party appraisal firms in accordance with our valuation procedures. Certain key assumptions that

were used by the Independent Valuation Advisor or third-party appraisal firms in the discounted cash flow analysis are set forth in the following table based on weighted-averages by property type at ownership interest.

	Single Tenant Office	Single Tenant Industrial	Multifamily	Single Tenant Life Sciences	Weighted- Average Basis
Exit Capitalization Rate . . . . .	6.5%	5.8%	5.6%	6.0%	6.0%
Residual Discount Rate . . . . .	7.2%	6.7%	6.8%	6.8%	6.9%
Average Holding Period (Yrs) . . . . .	9.5	7.9	10.0	13.0	9.2

A change in the exit capitalization and discount rates used would impact the calculation of the value of our real property. For example, assuming all other factors remain constant, the changes listed below would result in the following effects on the value of our real properties.

	Hypothetical Change	Single Tenant Office	Single Tenant Industrial	Multifamily	Single Tenant Life Sciences	Weighted- Average Values
Exit Capitalization Rate . . . . .	0.25% Increase	-2.4%	-3.1%	-2.6%	-2.0%	-2.7%
	0.25% Decrease	2.6%	3.4%	2.9%	2.2%	2.9%
Discount Rates . . . . .	0.25% Increase	-1.7%	-1.4%	-1.9%	-2.2%	-1.7%
	0.25% Decrease	1.7%	1.5%	1.9%	2.2%	1.7%

The following details the adjustments to reconcile U.S. GAAP stockholders' equity to our NAV:

*Unrealized appreciation of real estate*

Our investments in real estate are presented at historical cost, including acquisition costs, in our U.S. GAAP consolidated financial statements. As such, any increases or decreases in the fair market value of our investments in real estate are not included in our U.S. GAAP results. For purposes of determining our NAV, our investments in real estate are presented at fair value.

*Unrealized appreciation of real estate-related assets*

Our investments in real estate-related assets are presented at historical cost, including acquisition costs, in our U.S. GAAP consolidated financial statements. As such, any increases or decreases in the fair market value of our investments in real estate-related assets are not included in our U.S. GAAP results. For purposes of determining our NAV, our investments in real estate-related assets are presented at fair value.

*Organization and offering costs*

Our advisor has agreed to pay all of our organization and offering expenses on our behalf in connection with our initial public offering (other than selling commissions, dealer manager fees and distribution fees) through May 18, 2018. We began reimbursing our advisor for such expenses ratably over the 36 months following May 18, 2018; provided that we will not be obligated to pay any amounts that as a result of such payment would cause the aggregate payments for organization and offering expenses paid by our advisor to exceed 1% of gross offering proceeds as of such payment date. For purposes of calculating our NAV, the organization and offering expenses paid by our advisor through May 18, 2018 will not be reflected in our NAV until we reimburse our advisor for these expenses. After May 18, 2018, our advisor, in its sole discretion, may pay some or all of the additional organization and offering expenses incurred, but is not required to do so. To the extent our advisor pays such additional organization and offering expenses, we will be obligated to reimburse our advisor subject to the 1% cap described above. As of December 31, 2023, our advisor has continued to pay all of our organization and offering expenses on our behalf. Under U.S. GAAP, our reimbursement liability pertaining to the organization and offering expenses is recorded as a component of Due to related parties in our consolidated balance sheet. For NAV, such expenses are recognized as a reduction in NAV as they are reimbursed.

#### *Acquisition costs*

We capitalize acquisition costs incurred with the acquisition of our investments in real estate in accordance with U.S. GAAP. Such acquisition costs are not included in the value of real estate investments for purposes of determining NAV.

#### *Deferred financing costs, net*

Costs incurred in connection with obtaining financing are capitalized and amortized over the term of the related loan in accordance with U.S. GAAP. Such deferred financing costs are not included in the value of debt for purposes of determining NAV.

#### *Accrued distribution fee*

Accrued distribution fee represents the accrual for the full cost of the distribution fee for Class TX, Class T, Class D and Class S shares. Under U.S. GAAP, we accrue the full cost of the distribution fee as an offering cost at the time we sell the Class TX, Class T, Class D and Class S shares. For purposes of NAV, we recognize the distribution fees as a reduction of NAV on a monthly basis as such fees are due.

#### *Accumulated depreciation and amortization*

We depreciate our investments in real estate and amortize certain other assets and liabilities in accordance with U.S. GAAP. Such depreciation and amortization is not considered for purposes of determining NAV.

#### *Fair value adjustment of debt obligations*

Our debt obligations are presented at historical cost in our U.S. GAAP consolidated financial statements. As such, any increases in the fair value of our debt obligations are not included in our U.S. GAAP results. For purposes of determining our NAV, our debt obligations are presented at fair value.

#### *Deferred rent receivable*

Deferred rent receivable represents rent earned in excess of rent received as a result of straight-lining rents over the term of the lease on certain of our properties. Such deferred rent receivable is not considered for purposes of determining NAV.

#### *Deferred maintenance*

Deferred Maintenance represents identified near-term capital needs at the SF Property that were not included in the SF Property appraisal due to the anticipated timing of addressing these capital needs. Such Deferred Maintenance was shown as a charge against cash reserves held by the consolidated Battery Street SF JV in the determination of NAV.

#### *Non-controlling interests in subsidiaries*

Non-controlling interests in subsidiaries represents the equity ownership in a consolidated subsidiary which is not attributable to us. The interests are presented at fair value for purposes of determining our NAV.

## PLAN OF OPERATION

### General

We are a Maryland corporation that elected to qualify as a REIT beginning with the taxable year that ended December 31, 2017. We are a commercial real estate company that intends to invest in and manage a diversified portfolio of income-producing commercial and multifamily real estate, debt secured by commercial real estate and other real estate-related assets.

Cantor Fitzgerald Income Advisors, LLC is our advisor. Our advisor manages our day-to-day operations and our portfolio of investments. Our advisor also has the authority to make all of the decisions regarding our investments, subject to any limitations in our charter and the direction and oversight of our board of directors. Our advisor also provides asset-management, marketing, investor-relations and other administrative services on our behalf.

We have elected to make an election to be taxed as a REIT under the Internal Revenue Code, beginning with the taxable year ended December 31, 2017. If we qualify as a REIT for federal income tax purposes, we generally will not be subject to federal income tax to the extent we distribute qualifying dividends to our stockholders. If we fail to qualify as a REIT in any taxable year after electing REIT status, we will be subject to federal income tax on our taxable income at regular corporate income tax rates and generally will not be permitted to qualify for treatment as a REIT for federal income tax purposes for four years following the year in which our qualification is denied. Such an event could materially and adversely affect our net income and cash available for distribution. However, we believe that we will be organized and will operate in a manner that will enable us to qualify for treatment as a REIT for federal income tax purposes beginning with our taxable year ended December 31, 2017, and we intend to continue to operate so as to remain qualified as a REIT for federal income tax purposes thereafter.

### Competitive Market Factors

We face competition for the acquisition of commercial properties and real estate-related assets from insurance companies, credit companies, pension funds, private individuals, investment companies and other REITs. We also face competition from institutions that provide or arrange for other types of commercial financing through private or public offerings of equity or debt or traditional bank financings. These institutions may accept greater risk or lower returns, allowing them to offer more attractive terms to prospective tenants. In addition, our advisor's evaluation of the acceptability of rates of return on our behalf will be affected by our relative cost of capital. Thus, to the extent our fee structure and cost of fundraising is higher than our competitors, we may be limited in the amount of new acquisitions we are able to make.

### Liquidity and Capital Resources

We are dependent upon the net proceeds from this offering to conduct our operations. We will obtain the capital required to purchase real estate and real estate-related investments and conduct our operations from the proceeds of this offering and any future offerings we may conduct, from secured or unsecured financings from banks and other lenders and from any undistributed funds from our operations. For information regarding the anticipated use of proceeds from this offering, see "Estimated Use of Proceeds."

If we are unable to raise substantial funds in the offering, we will make fewer investments resulting in less diversification in terms of the type, number and size of investments we make and the value of an investment in us will fluctuate with the performance of the specific assets we acquire. Further, we will have certain fixed operating expenses, including certain expenses as a REIT, regardless of whether we are able to raise substantial funds in this offering. Our inability to raise substantial funds would increase our fixed operating expenses as a percentage of gross income, reducing our net income and limiting our ability to make distributions. Once we

have fully invested the proceeds of this offering, we expect that our debt financing and other liabilities will be approximately 60% of the cost of our tangible assets (before deducting depreciation or other non-cash reserves), although it may exceed this level during our offering stage. Our charter limits us from incurring debt if our borrowings would exceed 75% of the cost of our tangible assets (before deducting depreciation or other non-cash reserves), though we may exceed this limit under certain circumstances. As of September 30, 2023, our debt to tangible assets ratio was 49%.

In addition to making investments in accordance with our investment objectives, we use our capital resources to make certain payments to our advisor and our dealer manager. During our organization and offering stage, these payments will include payments to our dealer manager for selling commissions and the dealer manager fees and payments to the dealer manager and our advisor for reimbursement of certain organization and offering expenses. The total organization and offering expenses, including selling commissions, our dealer manager fees and reimbursement of other organization and offering expenses, will not exceed 15% of the gross proceeds of this offering, including proceeds from sales of shares under our distribution reinvestment plan. During our acquisition and development stage, we expect to make payments to our advisor in connection with the management of our assets and costs incurred by our advisor in providing services to us. For a discussion of the compensation to be paid to our advisor and our dealer manager, see “Management Compensation.” The advisory agreement has a one-year term but may be renewed for an unlimited number of successive one-year periods upon the mutual consent of our advisor and our audit committee.

We have elected to be taxed as a REIT and intend to operate as a REIT beginning with our taxable year ended December 31, 2017. To maintain our qualification as a REIT, we will be required to make aggregate annual distributions to our stockholders of at least 90% of our REIT taxable income (computed without regard to the dividends paid deduction and excluding net capital gain). Our board of directors may authorize distributions in excess of those required for us to maintain REIT status depending on our financial condition and such other factors as our board of directors deems relevant. We have not established a minimum distribution level.

## FEDERAL INCOME TAX CONSIDERATIONS

The following is a summary of the material U.S. federal income tax consequences of an investment in our common stock. The law firm of Greenberg Traurig, LLP acting as our tax counsel has reviewed this summary. For purposes of this section under the heading “Federal Income Tax Considerations,” references to “Cantor Fitzgerald Income Trust, Inc.,” “we,” “our” and “us” mean only Cantor Fitzgerald Income Trust, Inc. and not its subsidiaries or other lower-tier entities, except as otherwise indicated. This summary is based upon the Internal Revenue Code, the regulations promulgated by the U.S. Treasury Department, rulings and other administrative pronouncements issued by the Internal Revenue Service, and judicial decisions, all as currently in effect, and all of which are subject to differing interpretations or to change, possibly with retroactive effect. No assurance can be given that the Internal Revenue Service would not assert, or that a court would not sustain, a position contrary to any of the tax consequences described below. We have not sought and do not currently expect to seek an advance ruling from the Internal Revenue Service regarding any matter discussed in this prospectus. The summary is also based upon the assumption that we will operate Cantor Fitzgerald Income Trust, Inc. and its subsidiaries and affiliated entities in accordance with their applicable organizational documents. 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 investor in light of its investment or tax circumstances or to investors subject to special tax rules, such as:

- financial institutions;
- insurance companies;
- broker-dealers;
- regulated investment companies;
- partnerships and trusts;
- persons who hold our stock on behalf of other persons as nominees;
- persons who receive our stock through the exercise of employee stock options (if we ever have employees) or otherwise as compensation;
- persons holding our stock as part of a “straddle,” “hedge,” “conversion transaction,” “constructive ownership transaction,” “synthetic security” or other integrated investment;
- “S” corporations;

and, except to the extent discussed below:

- tax-exempt organizations; and
- foreign investors.

This summary assumes that investors will hold their common stock as a capital asset, which generally means as property held for investment.

The federal income tax treatment of holders of our common stock 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 to any particular stockholder of holding our common stock will depend on the stockholder’s particular tax circumstances. For example, a stockholder that is a partnership or trust that has issued an equity interest to certain types of tax-exempt organizations may be subject to a special entity-level tax if we make distributions attributable to “excess inclusion income.” See “—Taxation of Cantor Fitzgerald Income Trust, Inc. —Taxable Mortgage Pools and Excess Inclusion Income.” A similar tax may be payable by persons who hold our stock as nominees on behalf of tax-exempt organizations. You are urged to consult your tax advisor regarding the federal, state, local and foreign income and other tax consequences to you in light of your particular investment or tax circumstances of acquiring, holding, exchanging, or otherwise disposing of our common stock.



### **Taxation of Cantor Fitzgerald Income Trust, Inc.**

We have elected to be taxed as a REIT commencing with our taxable year ended December 31, 2017. We believe that we have been organized and operated and expect to continue to operate in such a manner as to continue to qualify for taxation as a REIT.

The law firm of Greenberg Traurig, LLP, acting as our tax counsel in connection with this offering, has rendered an opinion that we have been organized in conformity with the requirements for qualification and taxation as a REIT under the Internal Revenue Code, and that our proposed method of operation will enable us to meet the requirements for qualification and taxation as a REIT for our taxable year ended December 31, 2017. It must be emphasized that the opinion of Greenberg Traurig, LLP was based on various assumptions relating to our organization and operation and conditioned upon fact-based representations and covenants made by our management regarding our organization, assets, and income, and the past, present and future conduct of our business operations. While we intend to operate so that we will qualify as a REIT, given the highly complex nature of the rules governing REITs, the ongoing importance of factual determinations, and the possibility of future changes in our circumstances, no assurance can be given by Greenberg Traurig, LLP or by us that we will qualify as a REIT for any particular year. The opinion was expressed as of February 1, 2024 and does not cover subsequent periods. Counsel will have no obligation to advise us or our stockholders of any subsequent change in the matters stated, represented or assumed, or of any subsequent change in the applicable law. You should be aware that opinions of counsel are not binding on the Internal Revenue Service, and no assurance can be given that the Internal Revenue Service will not challenge the conclusions set forth in such opinions.

Qualification and taxation as a REIT depends on our ability to meet on a continuing basis, through actual operating results, distribution levels, and diversity of stock and asset ownership, various qualification requirements imposed upon REITs by the Internal Revenue Code, the compliance with which will not be reviewed by Greenberg Traurig, LLP. Our ability to qualify as a REIT also requires that we satisfy certain asset tests, some of which depend upon the fair market values of assets that we own directly or indirectly. 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 such requirements for qualification and taxation as a REIT.

### ***Taxation of REITs in General***

As indicated above, our qualification and taxation as a REIT depends upon our ability to meet, on a continuing basis, various qualification requirements imposed upon REITs by the Internal Revenue Code. The material qualification requirements are summarized below under “—Requirements for Qualification—General.” While we intend to operate so that we qualify as a REIT, no assurance can be given that the Internal Revenue Service will not challenge our qualification, or that we will be able to operate in accordance with the REIT requirements in the future. See “—Failure to Qualify.”

Provided that we qualify as a REIT, generally we will be entitled to a deduction for distributions that we pay to our stockholders and therefore will not be subject to federal corporate income tax on our taxable income that is currently distributed to our stockholders. This treatment substantially eliminates the “double taxation” at the corporate and stockholder levels that generally results from investment in a corporation. In general, the income that we generate is taxed only at the stockholder level upon distribution to our stockholders.

Certain domestic stockholders that are individuals, trusts or estates are taxed on corporate distributions at a maximum rate of 20%. With limited exceptions, however, distributions from us or from other entities that are taxed as REITs are generally not eligible for this rate and will continue to be taxed at rates applicable to ordinary income. See “—Taxation of Stockholders—Taxation of Taxable Domestic Stockholders—Distributions.”

Any net operating losses and other tax attributes generally do not pass through to our stockholders, subject to special rules for certain items such as the capital gains that we recognize. See “—Taxation of Stockholders.”

If we qualify as a REIT, we will nonetheless be subject to federal tax in the following circumstances:

- We will be taxed at regular corporate rates on any undistributed taxable income, including undistributed net capital gains.
- If we have net income from prohibited transactions, which are, in general, sales or other dispositions of inventory or 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 certain leasehold terminations as “foreclosure property,” we may thereby avoid the 100% tax on gain from a resale of that property (if the sale would otherwise constitute a prohibited transaction), but the income from the sale or operation of the property may be subject to corporate income tax at the highest applicable rate (currently 21%).
- If we derive “excess inclusion income” from an interest in certain mortgage loan securitization structures (i.e., a “taxable mortgage pool” or a residual interest in a real estate mortgage investment conduit, or “REMIC”), we could be subject to corporate level federal income tax at a 21% rate to the extent that such income is allocable to specified types of tax-exempt stockholders known as “disqualified organizations” that are not subject to unrelated business income tax. See “—Taxable Mortgage Pools and Excess Inclusion Income” below. “Disqualified organizations” are any organization described in Section 860E (e)(5) of the Internal Revenue Code, including: (i) the United States; (ii) any state or political subdivision of the United States; (iii) any foreign government; and (iv) certain other organizations.
- If we should 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 we satisfy other requirements, we will be subject to a 100% tax on an amount based on the magnitude of the failure, as adjusted to reflect the profit margin associated with our gross income.
- If we should violate the asset tests (other than certain de minimis violations) or other requirements applicable to REITs, as described below, and yet maintain our qualification as a REIT because there is reasonable cause for the failure and other applicable requirements are met, we may be subject to an excise tax. In that case, the amount of the excise tax will be at least \$50,000 per failure, and, in the case of certain asset test failures, will be determined as the amount of net income generated by the assets in question multiplied by the highest corporate tax rate (currently 21%) if that amount exceeds \$50,000 per failure.
- If we should fail to distribute during each calendar year at least the sum of (a) 85% of our REIT ordinary income for such year, (b) 95% of our REIT capital gain net income for such year, and (c) any undistributed taxable income from prior periods, we would be subject to a nondeductible 4% excise tax on the excess of the required distribution over the sum of (i) the amounts that we actually distributed and (ii) the amounts we retained and upon which we paid income tax at the corporate level.
- We may be required to pay monetary penalties to the Internal Revenue Service in certain circumstances, including if we fail to meet record keeping requirements intended to monitor our compliance with rules relating to the composition of a REIT’s stockholders, as described below in “—Requirements for Qualification—General.”
- A 100% tax may be imposed on transactions between us and a TRS (as described below) that do not reflect arm’s-length terms.
- If we acquire appreciated assets from a corporation that is not a REIT (i.e., a corporation taxable under subchapter C of the Internal Revenue Code) 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 subchapter C 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 subchapter C corporation.

- The earnings of our subsidiaries, including any subsidiary we may elect to treat as a TRS (as described below), are subject to federal corporate income tax to the extent that such subsidiaries are subchapter C corporations.

In addition, we and our subsidiaries may be subject to a variety of taxes, including payroll taxes and state and local and foreign income, property and other taxes on our assets and operations. We could also be subject to tax in situations and on transactions not presently contemplated.

### ***Requirements for Qualification—General***

The Internal Revenue Code defines a REIT as a corporation, trust or association:

- (i) that is managed by one or more trustees or directors;
- (ii) the beneficial ownership of which is evidenced by transferable shares, or by transferable certificates of beneficial interest;
- (iii) that would be taxable as a domestic corporation but for its election to be subject to tax as a REIT;
- (iv) that is neither a financial institution nor an insurance company subject to specific provisions of the Internal Revenue Code;
- (v) the beneficial ownership of which is held by 100 or more persons;
- (vi) in which, during the last half of each 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 Internal Revenue Code to include specified tax-exempt entities);
- (vii) that elects to be taxed as a REIT, or has made such election for a previous taxable year, and satisfies all relevant filing and other administrative requirements that must be met to elect and maintain REIT qualification; and
- (viii) that meets other tests described below, including with respect to the nature of its income and assets.

The Internal Revenue Code provides that conditions (i) through (iv) must be met during the entire taxable year, and that condition (v) must be met during at least 335 days of a taxable year of 12 months, or during a proportionate part of a shorter taxable year. Conditions (iv) and (v) need not be met during a corporation’s initial tax year as a REIT. Our charter provides restrictions regarding the ownership and transfer of our shares, which are intended to assist us in satisfying the share ownership requirements described in conditions (iv) and (v) above.

We believe that we will issue in this offering common stock with sufficient diversity of ownership to satisfy conditions (v) and (vi). In addition, our charter restricts the ownership and transfer of our stock so that we should continue to satisfy these requirements. The provisions of our charter restricting the ownership and transfer of our common stock are described in “Description of Shares—Restriction on Ownership of shares.”

To monitor compliance with the share ownership requirements, we generally are required to maintain records regarding the actual ownership of our shares. To do so, we must demand written statements each year from the record holders of significant percentages of our stock pursuant to which the record holders must disclose the actual owners of the shares (i.e., the persons required to include our distributions in their gross income). We must maintain a list of those persons failing or refusing to comply with this demand as part of our records. We could be subject to monetary penalties if we fail to comply with these record-keeping requirements. If you fail or refuse to comply with the demands, you will be required by Treasury regulations to submit a statement with your tax return disclosing your actual ownership of our shares and other information. In addition, a corporation generally may not elect to become a REIT unless its taxable year is the calendar year. We have adopted December 31 as our year-end, and thereby satisfy this requirement.

The Internal Revenue Code provides relief from violations of the REIT gross income requirements, as described below under “—Income Tests,” in cases where a violation is due to reasonable cause and not to willful neglect, and other requirements are met, including the payment of a penalty tax that is based upon the magnitude of the violation. In addition, certain provisions of the Internal Revenue Code extend similar relief in the case of certain violations of the REIT asset requirements (see “—Asset Tests” below) and other REIT requirements, again provided that the violation is due to reasonable cause and not willful neglect, and other conditions are met, including the payment of a penalty tax. If we fail to satisfy any of the various REIT requirements, there can be no assurance that these relief provisions would be available to enable us to maintain our qualification as a REIT, and, if such relief provisions are available, the amount of any resultant penalty tax could be substantial.

### ***Effect of Subsidiary Entities***

***Ownership of Partnership Interests.*** An unincorporated domestic entity, such as a partnership, limited liability company, or trust, that has a single owner generally is not treated as an entity separate from its parent for federal income tax purposes. An unincorporated domestic entity with two or more owners generally is treated as a partnership for federal income tax purposes. If we are a partner in an entity that is treated as a partnership for federal income tax purposes, Treasury regulations provide that we are deemed to own our proportionate share of the partnership’s assets, and to earn our proportionate share of the partnership’s income, for purposes of the asset and gross income tests applicable to REITs. Our proportionate share of a partnership’s assets and income is based on our capital interest in the partnership (except that for purposes of the 10% value test, our proportionate share of the partnership’s assets is based on our proportionate interest in the equity and certain debt securities issued by the partnership). In addition, the assets and gross income of the partnership are deemed to retain the same character in our hands. Thus, our proportionate share of the assets and items of income of any of our subsidiary partnerships will be treated as our assets and items of income for purposes of applying the REIT requirements. For any period of time that we own 100% of our operating partnership, all of the operating partnership’s assets and income will be deemed to be ours for federal income tax purposes.

***Disregarded Subsidiaries.*** If we own a corporate subsidiary that is a “qualified REIT subsidiary,” that subsidiary is generally disregarded for federal income tax purposes, and all of the subsidiary’s assets, liabilities and items of income, deduction and credit are treated as our assets, liabilities and items of income, deduction and credit, including for purposes of the gross income and asset tests applicable to REITs. A qualified REIT subsidiary is any corporation, other than a TRS (as described below), that is directly or indirectly wholly owned by a REIT. Thus, in applying the requirements described herein, any qualified REIT subsidiary that we own will be ignored, and all assets, liabilities, and items of income, deduction and credit of such subsidiary will be treated as our assets, liabilities, and items of income, deduction and credit. If we own 100% of the equity interests in the issuer of a collateralized debt obligation (or “CDO”) or other securitization vehicle that is treated as a corporation for tax purposes, that CDO issuer or other securitization vehicle would be a qualified REIT subsidiary, unless we and the CDO issuer or other securitization vehicle jointly elect to treat the CDO issuer or other securitization vehicle as a TRS. It is anticipated that CDO financings we enter into, if any, will be treated as qualified REIT subsidiaries. Other entities that are wholly owned by us, including single member limited liability companies that have not elected to be taxed as corporations for federal income tax purposes, are also generally disregarded as separate entities for federal income tax purposes, including for purposes of the REIT income and asset tests. Disregarded subsidiaries, along with any partnerships in which we hold an equity interest, are sometimes referred to herein as “pass-through subsidiaries.”

In the event that a disregarded subsidiary of ours ceases to be wholly owned—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 federal income tax purposes. Instead, the subsidiary 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 requirements applicable to REITs, including the requirement that REITs generally may not own, directly or indirectly, more than 10% of the securities of another corporation. See “—Asset Tests” and “—Income Tests.”

*Taxable Corporate Subsidiaries.* In the future we may jointly elect with any of our subsidiary corporations, whether or not wholly owned, to treat such subsidiary corporations as taxable REIT subsidiaries, or TRSs. A REIT is permitted to own up to 100% of the stock of one or more TRSs. A domestic TRS is a fully taxable corporation that may earn income that would not be qualifying income if earned directly by the parent REIT. The subsidiary and the REIT must jointly elect to treat the subsidiary as a TRS. A corporation with respect to 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. We generally may not own more than 10% of the securities of a taxable corporation, as measured by voting power or value, unless we and such corporation elect to treat such corporation 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.

The separate existence of a TRS or other taxable corporation is not ignored for federal income tax purposes. Accordingly, a TRS or other taxable corporation generally would be subject to corporate income tax on its earnings, which may reduce the cash flow that we and our subsidiaries generate in the aggregate, and may reduce our ability to make distributions to our stockholders.

We are 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 a taxable subsidiary to us is an asset in our hands, and we treat the distributions paid to us from such taxable subsidiary, if any, as income. This treatment can affect our income and asset test calculations, as described below. Because we do not include the assets and income of TRSs or other taxable subsidiary corporations in determining our compliance with the REIT requirements, we may use such entities to undertake indirectly activities that the REIT rules might otherwise preclude us from doing directly or through pass-through subsidiaries. For example, we may use TRSs or other taxable subsidiary corporations to conduct activities that give rise to certain categories of income such as management fees or activities that would be treated in our hands as prohibited transactions.

Certain restrictions imposed on TRSs are intended to ensure that such entities will be subject to appropriate levels of U.S. federal income taxation. If amounts are paid to a REIT or deducted by a TRS due to transactions between the REIT and a TRS that exceed the amount that would be paid to or deducted by a party in an arm's-length transaction, the REIT generally will be subject to an excise tax equal to 100% of such excess. We intend to scrutinize all of our transactions with any of our subsidiaries that are treated as a TRS in an effort to ensure that we do not become subject to this excise tax; however, we cannot assure you that we will be successful in avoiding this excise tax.

We may own TRSs that are organized outside of the United States. For example, we may hold certain investments and instruments through TRSs to the extent that direct ownership by us could jeopardize our compliance with the REIT qualification requirements, and we may make TRS elections with respect to certain offshore issuers of CDOs and/or other instruments to the extent that we do not own 100% of the offshore issuer's equity. Special rules apply in the case of income earned by a taxable subsidiary corporation that is organized outside of the United States. Depending upon the nature of the subsidiary's income, the parent REIT may be required to include in its taxable income an amount equal to its share of the subsidiary's income, without regard to whether, or when, such income is distributed by the subsidiary. See "—Income Tests" below. A TRS that is organized outside of the United States may, depending upon the nature of its operations, be subject to little or no federal income tax. There is a specific exemption from federal income tax for non-U.S. corporations that restrict their activities in the United States to trading stock and securities (or any activity closely related thereto) for their own account, whether such trading (or such other activity) is conducted by the corporation or its employees through a resident broker, commission agent, custodian or other agent. We currently expect that any offshore TRSs will rely on that exemption or otherwise operate in a manner so that they will generally not be subject to federal income tax on their net income at the entity level.



### ***Income Tests***

In order to qualify as a REIT, we must satisfy two gross income requirements on an annual basis. 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,” generally must be derived from investments relating to real property or mortgages on real property, including interest income derived from mortgage loans secured by real property (including certain types of residential and commercial mortgage-backed securities), “rents from real property,” distributions received from other REITs, gains from the sale of real estate assets, and any amount includible in gross income with respect to a regular or residual interest in a REMIC, unless less than 95% of the REMIC’s assets are real estate assets, in which case only a proportionate amount of such income will qualify, as well as specified income from temporary investments. Second, at least 95% of our gross income in each taxable year, excluding gross income from prohibited transactions and certain hedging transactions, must be derived from some combination of such income from investments in real property (i.e., income that qualifies under the 75% income test described above), as well as other distributions, interest, and gain from the sale or disposition of stock or securities, which need not have any relation to real property.

Gross income from the sale of inventory property is excluded from both the numerator and the denominator in both income tests. Income and gain from hedging transactions that we enter into to hedge indebtedness incurred or to be incurred to acquire or carry real estate assets will generally be excluded from both the numerator and the denominator for purposes of both gross income tests. We intend to monitor the amount of our non-qualifying income and manage our investment portfolio to comply at all times with the gross income tests but we cannot assure you that we will be successful in this effort.

The term “interest,” as defined for purposes of both gross income tests, generally excludes any amount that is based in whole or in part on the income or profits of any person. However, interest generally includes the following: (i) an amount that is based on a fixed percentage or percentages of gross receipts or sales and (ii) an amount that is based on the income or profits of a borrower where the borrower derives substantially all of its income from the real property securing the debt by leasing substantially all of its interest in the property, but only to the extent that the amounts received by the borrower would be qualifying “rents from real property” if received directly by a REIT.

If a loan contains a provision that entitles a REIT to a percentage of the borrower’s gain upon the sale of the real property securing the loan or a percentage of the appreciation in the property’s value as of a specific date, income attributable to that loan provision will be treated as gain from the sale of the property securing the loan, which generally is qualifying income for purposes of both gross income tests.

Interest on debt secured by a mortgage on real property or on interests in real property is generally qualifying income for purposes of the 75% gross income test. However, if the highest principal amount of a loan outstanding during a taxable year exceeds the sum of the fair market value of the real property securing the loan as of the date the REIT agreed to originate or acquire the loan plus an additional amount equal to the value of the personal property securing such loan provided that the value of the personal property does not exceed 15% of the combined value of such real and personal property, a portion of the interest income from such loan will not be qualifying income for purposes of the 75% gross income test, but will be qualifying income for purposes of the 95% gross income test. Note that a “significant modification” of a debt instrument will result in a new debt instrument that requires new tests of the value of the underlying real estate. The portion of the interest income that will not be qualifying income for purposes of the 75% gross income test will be equal to the portion of the principal amount of the loan that is not secured by real property and personal property provided that the value of the personal property does not exceed 15% of the combined value of such real and personal property (i.e., the amount by which the loan exceeds the value of the real estate and qualifying personal property that is security for the loan).

Interest, including original issue discount or market discount, that we accrue on our real estate-related investments generally will be qualifying income for purposes of both gross income tests. However, some of our



investments may not be secured by mortgages on real property or interests in real property. Our interest income from those investments will be qualifying income for purposes of the 95% gross income test but not the 75% gross income test. In addition, as discussed above, if the fair market value of the real estate securing any of our investments is less than the principal amount of the underlying loan as of a certain testing date, a portion of the income from that investment may be qualifying income for purposes of the 95% gross income test but not the 75% gross income test.

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 (a “shared appreciation provision”), income attributable to the participation feature will be treated as gain from sale of the underlying property, which generally will be qualifying income for purposes of both the 75% and 95% gross income tests provided that the real property is not held as inventory or dealer property or primarily for sale to customers in the ordinary course of business. To the extent that we derive interest income from a mortgage loan or income from the rental of real property (discussed below) where all or a portion of the amount of interest or rental income 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 on the net income or profits of the borrower or lessee. This limitation does not apply, however, where the borrower or lessee leases substantially all of its interest in the property to tenants or subtenants to the extent that the rental income derived by the borrower or lessee, as the case may be, would qualify as rents from real property had we earned the income directly.

We and our subsidiaries may invest in mezzanine loans, which are loans secured by equity interests in an entity that directly or indirectly owns real property, rather than by a direct mortgage of the real property. The Internal Revenue Service has issued Revenue Procedure 2003-65, which provides a safe harbor applicable to mezzanine loans. Under the Revenue Procedure, if a mezzanine loan meets each of the requirements contained in the Revenue Procedure, (i) the mezzanine loan will be treated by the Internal Revenue Service as a real estate asset for purposes of the asset tests described below, and (ii) interest derived from the mezzanine loan will be treated as qualifying mortgage interest for purposes of the 75% income test. Although the Revenue Procedure provides a safe harbor on which taxpayers may rely, it does not prescribe rules of substantive tax law. We intend to structure any investments in mezzanine loans in a manner that generally complies with the various requirements applicable to our qualification as a REIT. However, the extent that any of our mezzanine loans do not meet all of the requirements for reliance on the safe harbor set forth in the Revenue Procedure, there can be no assurance that the Internal Revenue Service will not challenge the tax treatment of these loans.

We and our subsidiaries may also invest in real estate mortgage investment conduits, or REMICs, and we may invest in other types of residential and commercial mortgage-backed securities. See below under “—Asset Tests” for a discussion of the effect of such investments on our qualification as a REIT.

We may also hold certain participation interests, including B Notes, in mortgage loans and mezzanine loans originated by other lenders. B Notes are interests in underlying loans created by virtue of participations or similar agreements to which the originator of the loans is a party, along with one or more participants. The borrower on the underlying loans is typically not a party to the participation agreement. The performance of this investment depends upon the performance of the underlying loans and, if the underlying borrower defaults, the participant typically has no recourse against the originator of the loans. The originator often retains a senior position in the underlying loans and grants junior participations that absorb losses first in the event of a default by the borrower.

We generally expect to treat our participation interests as qualifying real estate assets for purposes of the REIT asset tests described below and interest that we derive from such investments as qualifying mortgage interest for purposes of the 75% income test. The appropriate treatment of participation interests for federal income tax purposes is not entirely certain, however, and no assurance can be given that the Internal Revenue Service will not challenge our treatment of our participation interests. In the event of a determination that such participation interests do not qualify as real estate assets, or that the income that we derive from such participation interests does not qualify as mortgage interest for purposes of the REIT asset and income tests, we could be subject to a penalty tax, or could fail to qualify as a REIT. See “—Taxation of REITs in General,” “—Requirements for Qualification—General,” “—Asset Tests” and “—Failure to Qualify.”

We may acquire debt instruments in the secondary market for less than their face amount. The amount of such discount will generally be treated as “market discount” for federal income tax purposes. We may acquire distressed debt investments that are subsequently modified by agreement with the borrower. If the amendments to the outstanding debt are “significant modifications” under the applicable Treasury regulations, the modified debt may be considered to have been reissued to us in a debt-for-debt exchange with the borrower. This deemed reissuance may prevent the modified debt from qualifying as a good REIT asset if the underlying security has declined in value, and may result in “phantom income.”

In general, we will be required to accrue original issue discount on a debt instrument as taxable income in accordance with applicable federal income tax rules even though no cash payments may be received on such debt instrument. With respect to market discount, although generally we are not required to accrue the discount annually as taxable income (absent an election to do so), interest payments with respect to any debt incurred to purchase the investment may not be deductible and a portion of any gain realized on the operating partnership’s disposition of the debt instrument may be treated as ordinary income rather than capital gain.

If we eventually collect less on a debt instrument than the amount we paid for it plus the market discount we had previously reported as income, there would potentially be an ordinary bad debt deduction (rather than capital loss) but this is not free from doubt, and may depend on the characteristics of the underlying obligation, and the amount of cash we collect on maturity, etc. Our ability to benefit from that bad debt deduction (or capital loss) would depend on our having taxable income (or capital gain) in that later taxable year. REITs may not carry back net operating losses, so this possible “income early, loss later” phenomenon could adversely affect us and our shareholders if it were persistent and in significant amounts.

Finally, in the event that any debt instruments acquired by us are delinquent as to mandatory principal and interest payments, or in the event a borrower with respect to a particular debt instrument acquired by the operating partnership encounters financial difficulty rendering it unable to pay stated interest as due, we may nonetheless be required to continue to recognize the unpaid interest as taxable income. Similarly, we may be required to accrue interest income with respect to subordinate residential and commercial mortgage-backed securities at the stated rate regardless of whether corresponding cash payments are received.

Due to each of these potential timing differences between income recognition or expense deduction and cash receipts or disbursements, there is a risk that we may recognize substantial taxable income in excess of cash available for distribution. In that event, we may need to borrow funds or take other action to satisfy the REIT distribution requirements for the taxable year in which this “phantom income” is recognized. See “—Annual Distribution Requirements.”

Rents received by us will qualify as “rents from real property” in satisfying the gross income requirements described above only if several conditions are met. If rent is partly attributable to personal property leased in connection with a lease of real property, the portion of the rent that is attributable to the personal property will not qualify as “rents from real property” unless it constitutes 15% or less of the total rent received under the lease. In addition, the amount of rent must not be based in whole or in part on the income or profits of any person. Amounts received as rent, however, generally will not be excluded from rents from real property solely by reason of being based on fixed percentages of gross receipts or sales. Moreover, for rents received to qualify as “rents from real property,” we generally must not operate or manage the property or furnish or render services to the tenants of such property, other than through an “independent contractor” from which we derive no revenue. We are permitted, however, to perform services that are “usually or customarily rendered” in connection with the rental of space for occupancy only and which are not otherwise considered rendered to the occupant of the property. In addition, we may directly or indirectly provide noncustomary services to tenants of our properties without disqualifying all of the rent from the property if the payments for such services do not exceed 1% of the total gross income from the properties. For purposes of this test, we are deemed to have received income from such non-customary services in an amount at least 150% of the direct cost of providing the services. Moreover, we are generally permitted to provide services to tenants or others through a TRS without disqualifying the rental

income received from tenants for purposes of the income tests. Also, rental income will qualify as rents from real property only to the extent that we do not directly or constructively hold a 10% or greater interest, as measured by vote or value, in the lessee's equity.

We may directly or indirectly receive distributions from TRSs or other corporations that are not REITs or qualified REIT subsidiaries. These distributions generally are treated as dividend income to the extent of the earnings and profits of the distributing corporation. Such distributions will generally constitute qualifying income for purposes of the 95% gross income test, but not for purposes of the 75% gross income test. Any distributions that we receive from a REIT, however, will be qualifying income for purposes of both the 95% and 75% income tests.

We may receive various fees in connection with our operations relating to the origination or purchase of whole loans secured by first mortgages and other loans secured by real property. The fees will generally be qualifying income for purposes of both the 75% and 95% gross income tests if they are received in consideration for entering into an agreement to make a loan secured by real property and the fees are not determined by income and profits. Other fees generally are not qualifying income for purposes of either gross income test and will not be favorably counted for purposes of either gross income test. Any fees earned by any TRS will not be included for purposes of the gross income tests. We and our subsidiaries 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, futures contracts, forward rate agreements or similar financial instruments. Except to the extent provided by Treasury regulations, any income from a hedging transaction we entered into (i) in the normal course of our business primarily to manage risk of interest rate, inflation and/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, which is clearly identified as specified in Treasury regulations before the closing of the day on which it was acquired, originated, or entered into, including gain from the sale or disposition of such a transaction, or (ii) 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% income tests which is clearly identified as such before the closing of the day on which it was acquired, originated, or entered to, will not constitute gross income for purposes of the 75% or 95% gross income tests. 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 the 75% or 95% gross income tests. We intend to structure any hedging transactions in a manner that does not jeopardize our qualification as a REIT.

Our foreign investments might generate foreign currency gains and losses. "Real estate foreign exchange gain" is excluded from gross income for purposes of both the 75% and 95% gross income tests. Real estate foreign exchange gain is foreign currency gain which is attributable to (i) any item of income or gain qualifying for the 75% gross income test, (ii) our acquisition or ownership of obligations secured by mortgages on real property or interests in real property; or (iii) our becoming or being the obligor under obligations secured by mortgages on real property or on interests in real property. Real estate foreign exchange gain also includes Section 987 gain attributable to a qualified business unit ("QBU") of the REIT if the QBU itself meets the 75% income test for the taxable year, and meets the 75% asset test at the close of each quarter of the REIT that has directly or indirectly held the QBU.

"Passive foreign exchange gain" is another type of currency gain. This type of gain is excluded for purposes of the 95% income test but is included in gross income and treated as non-qualifying income (to the extent that it is not real estate foreign exchange gain), for purposes of the 75% income test. Passive foreign exchange gain includes all real estate foreign exchange gain, and in addition includes foreign currency gain which is attributable to (i) any item of income or gain which qualifies for the 95% gross income test, (ii) the acquisition or ownership of obligations, (iii) becoming or being the obligor under obligations, and (iv) any other foreign currency gain as determined by the Secretary of the Treasury.

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 such year if we are entitled to relief under applicable provisions of the Internal Revenue Code.

These relief provisions will be generally available if (i) our failure to meet these tests was due to reasonable cause and not due to willful neglect and (ii) following our identification of the failure to meet the 75% or 95% gross income test for any taxable year, we file a schedule with the Internal Revenue Service setting forth each item of our gross income for purposes of the 75% or 95% gross income test for such taxable year in accordance with Treasury regulations yet to be issued. 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, we will not qualify as a REIT. As discussed above under “—Taxation of REITs in General,” even where these relief provisions apply, the Internal Revenue Code imposes a tax based upon 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 certain 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, U.S. government securities. For this purpose, real estate assets include interests in real property, such as land, buildings, leasehold interests in real property, stock of other corporations that qualify as REITs, some kinds of residential and commercial mortgage-backed securities and mortgage loans, stock or debt instruments attributable to the investment of new capital, debt instruments of publicly offered REITs, and personal property leased in connection with a lease of real property for which the rent attributable to personal property is not greater than 15% of the total rent received under the lease. Assets that do not qualify for purposes of the 75% test are subject to the additional asset tests described below.

Second, not more than 25% of the value of our total assets may be represented by securities (including securities of TRSs), other than those securities includable in the 75% asset test.

Third, of the investments included in the 25% asset class, and except for certain investments in other REITs, our qualified REIT subsidiaries and TRSs, the value of any one issuer’s securities that we own may not exceed 5% of the value of our total assets and, we may not own more than 10% of any one issuer’s outstanding securities, as measured by either voting power or value. The 5% and 10% asset tests do not apply to securities of TRSs and qualified REIT subsidiaries and the 10% asset test does not apply to “straight debt” having specified characteristics and to certain other securities described below. Solely for purposes of the 10% asset test, the determination of our interest in the assets of a partnership or limited liability company in which we own an interest will be based on our proportionate interest in any securities issued by the partnership or limited liability company, excluding for this purpose certain securities described in the Internal Revenue Code.

Fourth, the aggregate value of all securities of taxable REIT subsidiaries that we hold may not exceed 20% of the value of our total assets.

Fifth, not more than 25% of the value of our total assets may be represented by debt instruments of publicly offered REITs to the extent those debt instruments would not be real estate assets but for the inclusion of debt instruments of publicly offered REITs in the meaning of real estate assets, as described above (e.g., a debt instrument issued by a publicly offered REIT that is not secured by a mortgage on real property).

Any regular or residual interest that we own in a REMIC will generally qualify as real estate assets. However, if less than 95% of the assets of a REMIC consist of assets that qualify as real estate assets, then we will be treated as holding directly our proportionate share of the assets of such REMIC for purposes of the asset tests.

We believe that most of the real estate-related securities that we expect to hold will be qualifying interests for purposes of the 75% asset test. However, our investment in other asset-backed securities, bank loans and other instruments that are not secured by mortgages on real property, if any, will not be qualifying interests for purposes of the 75% asset test.

Notwithstanding the general rule, as noted above, that for purposes of the REIT income and asset tests we are treated as owning our proportionate share of the underlying assets of a subsidiary partnership, if we hold indebtedness issued by a partnership, the indebtedness will be subject to, and may cause a violation of, the asset tests unless the indebtedness is a qualifying mortgage asset or other conditions are met. Similarly, although stock of another REIT is a qualifying interest for purposes of the REIT asset tests, any non-mortgage debt that is issued by another REIT may not so qualify (such debt, however, will not be treated as “securities” for purposes of the 10% asset test, as explained below).

Certain relief provisions are available to REITs to satisfy the asset requirements or to maintain REIT qualification notwithstanding certain violations of the asset and other requirements. One such provision allows a REIT which fails one or more of the asset requirements to nevertheless maintain its REIT qualification if (i) the REIT provides the Internal Revenue Service with a description of each asset causing the failure, (ii) the failure is due to reasonable cause and not willful neglect, (iii) the REIT pays a tax equal to the greater of (a) \$50,000 per failure, and (b) the product of the net income generated by the assets that caused the failure multiplied by the highest applicable corporate tax rate (currently 21%), and (iv) the REIT either disposes of the assets causing the failure within six months after the last day of the quarter in which it identifies the failure, or otherwise satisfies the relevant asset tests within that time frame.

In the case of de minimis violations of the 10% and 5% asset tests, a REIT may maintain its qualification despite a violation of such requirements if (i) the value of the assets causing the violation does not exceed the lesser of 1% of the REIT’s total assets and \$10,000,000, and (ii) the REIT either disposes of the assets causing the failure within six months after the last day of the quarter in which it identifies the failure, or the relevant tests are otherwise satisfied within that time frame.

Certain securities will not cause a violation of the 10% asset test described above. Such securities include instruments that constitute “straight debt,” which includes, among other things, securities having certain contingency features. A security does not qualify as “straight debt” where a REIT (or a controlled TRS of the REIT) owns other securities of the same issuer which do not qualify as straight debt, unless the value of those other securities constitute, in the aggregate, 1% or less of the total value of that issuer’s outstanding securities. In addition to straight debt, the Internal Revenue Code provides that certain other securities will not violate the 10% asset test. Such securities include (i) any loan made to an individual or an estate, (ii) certain rental agreements pursuant to which one or more payments are to be made in subsequent years (other than agreements between a REIT and certain persons related to the REIT under attribution rules), (iii) any obligation to pay rents from real property, (iv) securities issued by governmental entities that are not dependent in whole or in part on the profits of (or payments made by) a non-governmental entity, (v) any security (including debt securities) issued by another REIT, and (vi) any debt instrument issued by a partnership if the partnership’s income is of a nature that it would satisfy the 75% gross income test described above under “—Income Tests.” In applying the 10% asset test, a debt security issued by a partnership is not taken into account to the extent, if any, of the REIT’s proportionate interest in the equity and certain debt securities issued by that partnership.

Any interests that we hold in a REMIC will generally qualify as real estate assets and income derived from REMIC interests will generally be treated as qualifying income for purposes of the REIT income tests described above. If less than 95% of the assets of a REMIC are real estate assets, however, then only a proportionate part of our interest in the REMIC and income derived from the interest qualifies for purposes of the REIT asset and income tests. If we hold a “residual interest” in a REMIC from which we derive “excess inclusion income,” we will be required to either distribute the excess inclusion income or pay tax on it (or a combination of the two), even though we may not receive the income in cash. To the extent that distributed excess inclusion income is allocable to a particular stockholder, the income (i) would not be allowed to be offset by any net operating losses otherwise available to the stockholder, (ii) would be subject to tax as unrelated business taxable income in the hands of most types of stockholders that are otherwise generally exempt from federal income tax, and (iii) would result in the application of U.S. federal income tax withholding at the maximum rate (30%), without reduction of any otherwise applicable income tax treaty, to the extent allocable to most types of foreign stockholders.



Moreover, any excess inclusion income that we receive that is allocable to specified categories of tax-exempt investors which are not subject to unrelated business income tax, such as government entities, may be subject to corporate-level income tax in our hands, whether or not it is distributed. See “—Taxable Mortgage Pools and Excess Inclusion Income.”

To the extent that we hold mortgage participations or CMBS that do not represent REMIC interests, such assets may not qualify as real estate assets, and the income generated from them might not qualify for purposes of either or both of the REIT income tests, depending upon the circumstances and the specific structure of the investment.

We believe that our holdings of securities and other assets will comply with the foregoing REIT asset requirements, and we intend to monitor compliance on an ongoing basis. Certain mezzanine loans we make or acquire may qualify for the safe harbor in Revenue Procedure 2003-65 pursuant to which certain loans secured by a first priority security interest in ownership interests in a partnership or limited liability company will be treated as qualifying interests for purposes of the 75% real estate asset test and the 10% vote or value test. See “—Income Tests.” We may make some mezzanine loans that do not qualify for that safe harbor and that do not qualify as “straight debt” securities or for one of the other exclusions from the definition of “securities” for purposes of the 10% value test. We intend to make such investments in such a manner as not to fail the asset tests described above.

No independent appraisals will be obtained to support our conclusions as to the value of our total assets or the value of any particular security or securities. Moreover, values of some assets, including instruments issued in securitization transactions, may not be susceptible to a precise determination, and values are subject to change in the future. Furthermore, the proper classification of an instrument as debt or equity for federal income tax purposes may be uncertain in some circumstances, which could affect the application of the REIT asset requirements. Accordingly, there can be no assurance that the Internal Revenue Service will not contend that our interests in our subsidiaries or in the securities of other issuers will not cause a violation of the REIT asset tests.

If we should fail to satisfy the asset tests at the end of a calendar quarter, such a failure would not cause us to lose our REIT qualification if we (i) satisfied the asset tests at the close of the preceding calendar quarter and (ii) the discrepancy between the value of our assets and the asset requirements was not wholly or partly caused by an acquisition of non-qualifying interests, but instead arose from changes in the market value of our assets. If the condition described in (ii) were not satisfied, we still could avoid disqualification by eliminating any discrepancy within 30 days after the close of the calendar quarter in which it arose or by making use of relief provisions described below.

### ***Annual Distribution Requirements***

In order to qualify as a REIT, we are required to make distributions, other than capital gain distributions, to our stockholders in an amount at least equal to:

- (i) the sum of
  - (a) 90% of our “REIT taxable income,” computed without regard to our net capital gains and the dividends paid deduction, and
  - (b) 90% of our net income, if any, (after tax) from foreclosure property (as described below), minus
- (ii) the sum of specified items of non-cash income.

In addition, if we were to recognize “built-in-gain” (as defined below) on the disposition of any assets acquired from a “C” corporation in a transaction in which our basis in the assets was determined by reference to the “C” corporation’s basis (for instance, if the assets were acquired in a tax-free reorganization), we would be required to distribute at least 90% of the built-in-gain recognized net of the tax we would pay on such gain. “Built-in-gain” is the excess of (i) the fair market value of an asset (measured at the time of acquisition) over (ii) the basis of the asset (measured at the time of acquisition).



We generally must make these distributions in the taxable year to which they relate, or in the following taxable year if either (i) declared before we timely file our tax return for the year and if paid with or before the first regular distribution payment after such declaration; or (ii) declared in October, November or December of the taxable year, payable to stockholders of record on a specified day in any such month, and actually paid before the end of January of the following year. The distributions under clause (i) are taxable to the holders of our common stock in the year in which paid, and the distributions in clause (ii) are treated as paid on December 31 of the prior taxable year. In both instances, these distributions relate to our prior taxable year for purposes of the 90% distribution requirement.

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 corporate tax rates on the retained portion. 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 for our stockholders to include their proportionate shares of such undistributed long-term capital gains in income, and to receive a corresponding credit for their share of the tax that we paid. Our stockholders would then increase their adjusted basis of their stock by the difference between (i) the amounts of capital gain distributions that we designated and that they include in their taxable income, minus (ii) the tax that we paid on their behalf with respect to that income.

To the extent that we have available net operating losses carried forward from prior tax years, such losses may reduce the amount of distributions that we must make in order to comply with the REIT distribution requirements. Such losses, however, will generally not affect the character, in the hands of our stockholders, of any distributions that are actually made as ordinary dividends or capital gains. See “—Taxation of Stockholders—Taxation of Taxable Domestic Stockholders—Distributions.”

If we should fail to distribute during each calendar year at least the sum of (i) 85% of our REIT ordinary income for such year, (ii) 95% of our REIT capital gain net income for such year, and (iii) any undistributed taxable income from prior periods, we would be subject to a non-deductible 4% excise tax on the excess of such required distribution over the sum of (x) the amounts actually distributed, plus (y) the amounts of income we retained and on which we have paid corporate income tax.

It is possible that, from time to time, we may not have sufficient cash to meet the distribution requirements due to timing differences between (i) our actual receipt of cash, including receipt of distributions from our subsidiaries, and (ii) our inclusion of items in income for federal income tax purposes. Other potential sources of non-cash taxable income include:

- “residual interests” in REMICs or taxable mortgage pools;
- loans or residential or commercial mortgage-backed securities held as assets that are issued at a discount and require the accrual of taxable economic interest in advance of receipt in cash; and
- loans on which the borrower is permitted to defer cash payments of interest, and distressed loans on which we may be required to accrue taxable interest income even though the borrower is unable to make current servicing payments in cash.

In the event that such timing differences occur, in order to meet the distribution requirements, it might be necessary for us to arrange for short-term, or possibly long-term, borrowings, or to pay distributions in the form of taxable in-kind distributions of property.

We may be able to rectify a failure to meet the distribution requirements for a year by paying “deficiency dividends” to stockholders in a later year, which may be included in our deduction for distributions paid for the earlier year. In this case, we may be able to avoid losing REIT qualification or being taxed on amounts distributed as deficiency dividends. We will be required to pay interest and a penalty based on the amount of any deduction taken for deficiency dividends.

### ***Failure to Qualify***

If we fail to satisfy one or more requirements for REIT qualification other than the gross income or asset tests, we could avoid disqualification if our failure is due to reasonable cause and not to willful neglect and we pay a penalty of \$50,000 for each such failure. Relief provisions are available for failures of the gross income tests and asset tests, as described above in “—Income Tests” and “—Asset Tests.”

If we fail to qualify for taxation as a REIT in any taxable year, and the relief provisions described above do not apply, we would be subject to tax on our taxable income at regular corporate rates. We cannot deduct distributions to stockholders in any year in which we are not a REIT, nor would we be required to make distributions in such a year. In this situation, to the extent of current and accumulated earnings and profits, distributions to certain domestic stockholders that are individuals, trusts and estates will generally be taxable at capital gains rates. In addition, subject to the limitations of the Internal Revenue Code, corporate distributees may be eligible for the dividends received deduction. Unless we are entitled to relief under specific statutory provisions, we would also be disqualified from re-electing to be taxed as a REIT for the four taxable years following the year during which we lost qualification. It is not possible to state whether, in all circumstances, we would be entitled to this statutory relief.

### ***Prohibited Transactions***

Net income that we derive from a prohibited transaction is subject to a 100% tax. The term “prohibited transaction” generally includes a sale or other disposition of property (other than foreclosure property, as discussed below) that is held primarily for sale to customers in the ordinary course of a trade or business. We intend to conduct our operations so that no asset that we own (or are treated as owning) will be treated as, or as having been, held for sale to customers, and that a sale of any such asset will not be treated as having been in the ordinary course of our business. Whether property is held “primarily for sale to customers in the ordinary course of a trade or business” depends on the particular facts and circumstances. No assurance can be given that any property that we sell will not be treated as property held for sale to customers, or that we can comply with certain safe-harbor provisions of the Internal Revenue Code that would prevent such treatment. The 100% tax does not apply to gains from the sale of property that is held through a TRS or other taxable corporation, although such income will potentially be subject to tax in the hands of the corporation at regular corporate rates, nor does the tax apply to sales that qualify for a safe harbor as described in Section 857(b)(6) of the Internal Revenue Code.

### ***Foreclosure Property***

Foreclosure property is real property and any personal property incident to such real property (i) that we acquire as the result of having bid on the property at foreclosure, or having otherwise reduced the property to ownership or possession by agreement or process of law, after a default (or upon imminent default) on a lease of the property or a mortgage loan held by us and secured by the property, (ii) for which we acquired the related loan or lease at a time when default was not imminent or anticipated, and (iii) with respect to which we made a proper election to treat the property as foreclosure property. We generally will be subject to tax at the maximum corporate rate (currently 21%) 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 has been made will not be subject to the 100% tax on gains from prohibited transactions described above, even if the property would otherwise constitute inventory or dealer property. To the extent that we receive any income from foreclosure property that does not qualify for purposes of the 75% gross income test, we intend to make an election to treat the related property as foreclosure property.

### ***Derivatives and Hedging Transactions***

We and our subsidiaries may enter into hedging transactions with respect to interest rate and exchange rate and exposure on one or more of our assets or liabilities. Hedging transactions could take a variety of forms, including

the use of derivative instruments such as interest rate and exchange rate swap agreements, interest rate and exchange rate cap agreements, options, futures contracts, forward rate agreements or similar financial instruments. Except to the extent provided by Treasury regulations, any income from a hedging transaction we entered into (i) in the normal course of our business primarily to manage risk of interest rate, inflation and/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, which is clearly identified as specified in Treasury regulations before the closing of the day on which it was acquired, originated, or entered into, including gain from the sale or disposition of such a transaction, or (ii) 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% income tests which is clearly identified as such before the closing of the day on which it was acquired, originated, or entered into, will not constitute gross income for purposes of the 75% or 95% gross income tests. 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 the 75% or 95% gross income tests. We intend to structure any hedging transactions in a manner that does not jeopardize our qualification as a REIT. We may conduct some or all of our hedging activities through our TRS or other corporate entity, the income from which may be subject to federal income tax, rather than by participating in the arrangements directly or through pass-through subsidiaries. No assurance 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 REIT gross income tests, or that our hedging activities will not adversely affect our ability to satisfy the REIT qualification requirements.

#### ***Taxable Mortgage Pools and Excess Inclusion Income***

An entity, or a portion of an entity, may be classified as a taxable mortgage pool, or TMP, under the Internal Revenue Code if:

- substantially all of its assets consist of debt obligations or interests in debt obligations;
- more than 50% of those debt obligations are real estate mortgages or interests in real estate mortgages as of specified testing dates;
- the entity has issued debt obligations (liabilities) that have two or more maturities; and
- the payments required to be made by the entity on its debt obligations (liabilities) “bear a relationship” to the payments to be received by the entity on the debt obligations that it holds as assets.

Under regulations issued by the U.S. Treasury Department, if less than 80% of the assets of an entity (or a portion of an entity) consist of debt obligations, these debt obligations are considered not to comprise “substantially all” of its assets, and therefore the entity would not be treated as a TMP. Our financing and securitization arrangements may give rise to TMPs with the consequences as described below.

Where an entity, or a portion of an entity, is classified as a TMP, it is generally treated as a taxable corporation for federal income tax purposes. In the case of a REIT, or a portion of a REIT, or a disregarded subsidiary of a REIT, that is a TMP, however, special rules apply. The TMP is not treated as a corporation that is subject to corporate income tax, and the TMP classification does not directly affect the tax qualification of the REIT. Rather, the consequences of the TMP classification would, in general, except as described below, be limited to the stockholders of the REIT.

A portion of the REIT’s income from the TMP, which might be noncash accrued income, could be treated as excess inclusion income. Section 860E(c) of the Internal Revenue Code defines the term “excess inclusion” with respect to a residual interest in a REMIC. The Internal Revenue Service, however, has yet to issue guidance on the computation of excess inclusion income on equity interests in a TMP held by a REIT. Generally, however, excess inclusion income with respect to our investment in any TMP and any taxable year will equal the excess of (i) the amount of income we accrue on our investment in the TMP over (ii) the amount of income we would have accrued if our investment were a debt instrument having an issue price equal to the fair market value of our

investment on the day we acquired it and a yield to maturity equal to 120% of the long-term applicable federal rate in effect on the date we acquired our interest. The term “applicable federal rate” refers to rates that are based on weighted average yields for treasury securities and are published monthly by the Internal Revenue Service for use in various tax calculations. If we undertake securitization transactions that are TMPs, the amount of excess inclusion income we recognize in any taxable year could represent a significant portion of our total taxable income for that year. Under recently issued Internal Revenue Service guidance, the REIT’s excess inclusion income, including any excess inclusion income from a residual interest in a REMIC, must be allocated among its stockholders in proportion to distributions paid. We are required to notify our stockholders of the amount of “excess inclusion income” allocated to them. A stockholder’s share of our excess inclusion income:

- cannot be offset by any net operating losses otherwise available to the stockholder;
- is subject to tax as unrelated business taxable income in the hands of most types of stockholders that are otherwise generally exempt from federal income tax; and
- results in the application of U.S. federal income tax withholding at the maximum rate (30%), without reduction for any otherwise applicable income tax treaty or other exemption, to the extent allocable to most types of foreign stockholders.

See “—Taxation of Stockholders.” To the extent that excess inclusion income is allocated from a TMP to a tax-exempt stockholder of a REIT that is not subject to unrelated business income tax (such as a government entity), the REIT will be subject to tax on this income at the highest applicable corporate tax rate (currently 21%). In this case, we are authorized to reduce and intend to reduce distributions to such stockholders by the amount of such tax paid by the REIT that is attributable to such stockholder’s ownership. Treasury regulations provide that such a reduction in distributions does not give rise to a preferential dividend that could adversely affect the REIT’s compliance with its distribution requirements. See “—Annual Distribution Requirements.” The manner in which excess inclusion income is calculated, or would be allocated to stockholders, including allocations among shares of different classes of stock, remains unclear under current law. As required by Internal Revenue Service guidance, we intend to make such determinations using a reasonable method. Tax-exempt investors, foreign investors and taxpayers with net operating losses should carefully consider the tax consequences described above, and are urged to consult their tax advisors.

If a subsidiary partnership of ours that we do not wholly own, directly or through one or more disregarded entities, were a TMP, the foregoing rules would not apply. Rather, the partnership that is a TMP would be treated as a corporation for federal income tax purposes and potentially could be subject to corporate income tax or withholding tax. In addition, this characterization would alter our income and asset test calculations and could adversely affect our compliance with those requirements. We intend to monitor the structure of any TMPs (including whether a TRS election might be made in respect of any such TMP) in which we have an interest to ensure that they will not adversely affect our qualification as a REIT.

## **Taxation of Stockholders**

### ***Taxation of Taxable Domestic Stockholders***

*Distributions.* So long as we qualify as a REIT, the distributions that we make to our taxable domestic stockholders out of current or accumulated earnings and profits that we do not designate as capital gain distributions will generally be taken into account by stockholders as ordinary income and will not be eligible for the dividends received deduction for corporations. With limited exceptions, our distributions are not eligible for taxation at the preferential income tax rates for qualified distributions received by certain domestic stockholders that are individuals, trusts and estates from taxable C corporations. Such stockholders, however, are taxed at the preferential rates on distributions designated by and received from REITs to the extent that the distributions are attributable to:

- income retained by the REIT in the prior taxable year on which the REIT was subject to corporate level income tax (less the amount of tax);

- distributions received by the REIT from TRSs or other taxable C corporations; or
- income in the prior taxable year from the sales of “built-in gain” property acquired by the REIT from C corporations in carryover basis transactions (less the amount of corporate tax on such income).

In addition to the foregoing, shareholders who are individuals (or individuals who own our stock through pass-through entities), are eligible to deduct 20% of the amount of our distributions which are properly treated as dividends, except to the extent such dividends are designated as “capital gain dividends” or traceable to distributions from a TRS, and provided such amount does not exceed the amount of such individual’s net taxable income determined without regard to such deduction. Distributions that we designate as capital gain dividends will generally be taxed to our stockholders as long-term capital gains, to the extent that such distributions do not exceed our actual net capital gain for the taxable year, without regard to the period for which the stockholder that receives such distribution has held its stock. We may elect to retain and pay taxes on some or all of our net long-term capital gains, in which case provisions of the Internal Revenue Code will treat our stockholders as having received, solely for tax purposes, our undistributed capital gains, and the stockholders will receive a corresponding credit for taxes that we paid on such undistributed capital gains. See “—Taxation of Cantor Fitzgerald Income Trust, Inc. — Annual Distribution Requirements.” Corporate stockholders may be required to treat up to 20% of some capital gain distributions as ordinary income. Long-term capital gains are generally taxable at maximum federal rates of 20% in the case of stockholders that are individuals, trusts and estates, and 21% in the case of stockholders that are corporations. Capital gains attributable to the sale of depreciable real property held for more than 12 months are subject to a 25% maximum federal income tax rate for taxpayers who are taxed as individuals, to the extent of previously claimed depreciation deductions.

Distributions in excess of our current and accumulated earnings and profits will generally represent a return of capital and will not be taxable to a stockholder to the extent that the amount of such distributions do not exceed the adjusted basis of the stockholder’s shares in respect of which the distributions were made. Rather, the distribution will reduce the adjusted basis of the stockholder’s shares. To the extent that such distributions exceed the adjusted basis of a stockholder’s shares, the stockholder generally must include such distributions in income as long-term capital gain, or short-term capital gain if the shares have been held for one year or less. In addition, any distribution that we declare in October, November or December of any year and that is payable to a stockholder of record on a specified date in any such month will be treated as both paid by us and received by the stockholder on December 31 of such year, provided that we actually pay the distribution before the end of January of the following calendar year.

To the extent that we have available net operating losses and capital losses carried forward from prior tax years, such losses may reduce the amount of distributions that we must make in order to comply with the REIT distribution requirements. See “—Taxation of Cantor Fitzgerald Income Trust, Inc.—Annual Distribution Requirements.” Such losses, however, are not passed through to stockholders and do not offset income of stockholders from other sources, nor would such losses affect the character of any distributions that we make, which are generally subject to tax in the hands of stockholders to the extent that we have current or accumulated earnings and profits.

If excess inclusion income from a taxable mortgage pool or REMIC residual interest is allocated to any stockholder, that income will be taxable in the hands of the stockholder and would not be offset by any net operating losses of the stockholder that would otherwise be available. See “—Taxation of Cantor Fitzgerald Income Trust, Inc.— Taxable Mortgage Pools and Excess Inclusion Income.” As required by Internal Revenue Service guidance, we intend to notify our stockholders if a portion of a distribution paid by us is attributable to excess inclusion income.

*Dispositions of Our Stock.* In general, capital gains recognized by individuals, trusts and estates upon the sale or disposition of our stock will be subject to a maximum federal income tax rate of 20% if the stock is held for more than one year, and will be taxed at ordinary income rates if the stock is held for one year or less. Gains



recognized by stockholders that are corporations are subject to federal income tax at a maximum rate of 21%, whether or not such gains are classified as long-term capital gains. Capital losses recognized by a stockholder upon the disposition of our stock that was held for more than one year at the time of disposition will be considered long-term capital losses, and are generally available only to offset capital gain income of the stockholder 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 shares of our stock by a stockholder who has held the shares for six months or less, after applying holding period rules, will be treated as a long-term capital loss to the extent of distributions that we make that are required to be treated by the stockholder as long-term capital gain.

If an investor recognizes a loss upon a subsequent disposition of our stock or other securities in an amount that exceeds a prescribed threshold, it is possible that the provisions of Treasury regulations involving “reportable transactions” could apply, with a resulting requirement to separately disclose the loss-generating transaction to the Internal Revenue Service. These regulations, though directed towards “tax shelters,” are broadly written and apply to transactions that would not typically be considered tax shelters. The Internal Revenue Code imposes significant penalties for failure to comply with these requirements. You should consult your tax advisor concerning any possible disclosure obligation with respect to the receipt or disposition of our stock or securities or transactions that we might undertake directly or indirectly. Moreover, you should be aware that we and other participants in the transactions in which we are involved (including their advisors) might be subject to disclosure or other requirements pursuant to these regulations.

*Passive Activity Losses and Investment Interest Limitations.* Distributions that we make and gain arising from the sale or exchange by a domestic stockholder of our stock will not be treated as passive activity income. As a result, stockholders will not be able to apply any “passive losses” against income or gain relating to our stock. To the extent that distributions we make do not constitute a return of capital, they will be treated as investment income for purposes of computing the investment interest limitation.

*Medicare Contribution Tax.* U.S. stockholders who are individuals, estates or certain trusts generally are required to pay a 3.8% Medicare tax on their net investment income (including dividends and gains from the disposition of our stock), or in the case of estates and trusts on their net investment income that is not distributed, in each case to the extent that their total adjusted income exceeds applicable thresholds.

### ***Taxation of Foreign Stockholders***

The following is a summary of certain U.S. federal income and estate tax consequences of the ownership and disposition of our stock applicable to non-U.S. holders. A “non-U.S. holder” is any person other than:

- a citizen or resident of the United States;
- a corporation (or entity treated as a corporation for U.S. federal income tax purposes) created or organized in the United States or under the laws of the United States, or of any state thereof, or the District of Columbia;
- an estate, the income of which is includable in gross income for U.S. federal income tax purposes regardless of its source; or
- a trust if a U.S. court is able to exercise primary supervision over the administration of such trust and one or more U.S. fiduciaries have the authority to control all substantial decisions of the trust.

If a partnership, including for this purpose any entity that is treated as a partnership for U.S. federal income tax purposes, holds our common stock, the tax treatment of a partner in the partnership will generally depend upon the status of the partner and the activities of the partnership. An investor that is a partnership and the partners in such partnership should consult their tax advisors about the U.S. federal income tax consequences of the acquisition, ownership and disposition of our common stock.



The following discussion is based on current law, and is for general information only. It addresses only selected, and not all, aspects of U.S. federal income and estate taxation.

*Ordinary Dividends.* The portion of distributions received by non-U.S. holders (i) that is payable out of our earnings and profits, (ii) which is not attributable to our capital gains and (iii) which is not effectively connected with a U.S. trade or business of the non-U.S. holder, will be subject to U.S. withholding tax at the rate of 30%, unless reduced or eliminated by treaty. Reduced treaty rates and other exemptions are not available to the extent that income is attributable to excess inclusion income allocable to the foreign stockholder. Accordingly, we will withhold at a rate of 30% on any portion of a distribution that is paid to a non-U.S. holder and attributable to that holder's share of our excess inclusion income. See “—Taxation of Cantor Fitzgerald Income Trust, Inc.—Taxable Mortgage Pools and Excess Inclusion Income.” As required by Internal Revenue Service guidance, we intend to notify our stockholders if a portion of a distribution paid by us is attributable to excess inclusion income.

In general, non-U.S. holders will not be considered to be engaged in a U.S. trade or business solely as a result of their ownership of our stock. In cases where the dividend income from a non-U.S. holder's investment in our stock is, or is treated as, effectively connected with the non-U.S. holder's conduct of a U.S. trade or business, the non-U.S. holder generally will be subject to U.S. federal income tax at graduated rates, in the same manner as domestic stockholders are taxed with respect to such distributions. Such income must generally be reported on a U.S. income tax return filed by or on behalf of the non-U.S. holder. The income may also be subject to the 30% branch profits tax in the case of a non-U.S. holder that is a corporation.

*Non-Dividend Distributions.* Unless our stock constitutes a U.S. real property interest (a “USRPI”), distributions that we make that are not out of our earnings and profits will not be subject to U.S. income tax. If we cannot determine at the time a distribution is made whether or not the distribution will exceed current and accumulated earnings and profits, the distribution will be subject to withholding at the rate applicable to ordinary dividends. The non-U.S. holder may seek a refund from the Internal Revenue Service of any amounts withheld if it is subsequently determined that the distribution was, in fact, in excess of our current and accumulated earnings and profits. If our stock constitutes a USRPI, as described below, distributions that we make to a non-U.S. holder that is not a “qualified foreign pension plan” in excess of the sum of (a) the stockholder's proportionate share of our earnings and profits, plus (b) the stockholder's basis in its stock, will be taxed under the Foreign Investment in Real Property Tax Act of 1980, or FIRPTA, at the rate of tax, including any applicable capital gains rates, that would apply to a domestic stockholder of the same type (e.g., an individual or a corporation, as the case may be), and the collection of the tax will be enforced by a refundable withholding at a rate of 15% of the amount by which the distribution exceeds the stockholder's share of our earnings and profits.

*Capital Gain Distributions.* Under FIRPTA, a distribution that we make to a non-U.S. holder that is not a “qualified foreign pension plan,” to the extent attributable to gains from dispositions of USRPIs that we held directly or through pass-through subsidiaries, or USRPI capital gains, will, except as described below, be considered effectively connected with a U.S. trade or business of the non-U.S. holder and will be subject to U.S. income tax at the rates applicable to U.S. individuals or corporations, without regard to whether we designate the distribution as a capital gain distribution. See above under “—Taxation of Foreign Stockholders—Ordinary Dividends,” for a discussion of the consequences of income that is effectively connected with a U.S. trade or business. In addition, we will be required to withhold tax equal to 21% of the amount of distributions to the extent that the distributions constitute USRPI capital gains. Distributions subject to FIRPTA may also be subject to a 30% branch profits tax in the hands of a non-U.S. holder that is a corporation which is not a “qualified foreign pension plan.” A distribution is not a USRPI capital gain if we held an interest in the underlying asset solely as a creditor. Capital gain distributions received by a non-U.S. holder that is not a “qualified foreign pension plan” that are attributable to dispositions of our assets other than USRPIs are not subject to U.S. federal income or withholding tax, unless (i) the gain is effectively connected with the non-U.S. holder's U.S. trade or business, in which case the non-U.S. holder would be subject to the same treatment as U.S. holders with respect to such gain, or (ii) the non-U.S. holder is a nonresident alien individual who was present in the United States for

183 days or more during the taxable year and has a “tax home” in the United States, in which case the non-U.S. holder will incur a 30% tax on his or her capital gains.

A capital gain distribution that would otherwise have been treated as a USRPI capital gain will not be so treated or be subject to FIRPTA, and generally will not be treated as income that is effectively connected with a U.S. trade or business, and if (i) the capital gain 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. holder does not own more than 10% of that class of stock at any time during the year ending on the date on which the capital gain distribution is received. At the time you purchase shares in this offering, our shares will not be publicly traded and we can give you no assurance that our shares will ever be publicly traded on an established securities market. Therefore, these rules will not apply to our capital gain distributions.

*Dispositions of Our Stock.* Unless our stock constitutes a USRPI, a sale of our stock by a non-U.S. holder generally will not be subject to U.S. taxation under FIRPTA. Our stock will not be treated as a USRPI if less than 50% of our assets throughout a prescribed testing period consist of interests in real property located within the United States, excluding, for this purpose, interests in real property solely in a capacity as a creditor.

Even if the foregoing 50% test is not met, our stock nonetheless will not constitute a USRPI if we are a “domestically-controlled qualified investment entity.” A domestically-controlled qualified investment entity includes a REIT, less than 50% of value of which is held directly and indirectly by non-U.S. holders at all times during a specified testing period. We believe that we are and will continue to be a domestically-controlled qualified investment entity, and that a sale of our stock should therefore not be subject to taxation under FIRPTA. No assurance can be provided, however, that we currently are or will continue to be a domestically-controlled qualified investment entity. If our stock constitutes a USRPI and we do not constitute a domestically controlled qualified investment entity, but our stock becomes “regularly traded,” as defined by applicable Treasury Regulations, on an established securities market, a non-U.S. holder’s sale of our stock nonetheless would not be subject to tax under FIRPTA as a sale of a USRPI, provided that the selling non-U.S. holder held 10% or less of the outstanding stock at all times during a specified testing period. However, as mentioned above, we can give you no assurance that our shares will ever be publicly traded on an established securities market.

If gain on the sale of our stock were subject to taxation under FIRPTA, the non-U.S. holder would be required to file a U.S. federal income tax return and would be subject to the same treatment as a U.S. stockholder with respect to such gain, subject to applicable alternative minimum tax and a special alternative minimum tax in the case of non-resident alien individuals, and the purchaser of the stock could be required to withhold 15% of the purchase price and remit such amount to the Internal Revenue Service.

Gain from the sale of our stock that would not otherwise be subject to FIRPTA will nonetheless be taxable in the United States to a non-U.S. holder in two cases: (i) if the non-U.S. holder’s investment in our stock is effectively connected with a U.S. trade or business conducted by such non-U.S. holder, the non-U.S. holder will be subject to the same treatment as a U.S. stockholder with respect to such gain, or (ii) if the non-U.S. holder is a nonresident alien individual who was present in the United States for 183 days or more during the taxable year and has a “tax home” in the United States, the nonresident alien individual will be subject to a 30% tax on the individual’s capital gain. In addition, even if we are a domestically controlled qualified investment entity, upon disposition of our stock, a non-U.S. holder may be treated as having gain from the sale or exchange of a USRPI if the non-U.S. holder (i) disposes of our common stock within a 30-day period preceding the ex-dividend date of a distribution, any portion of which, but for the disposition, would have been treated as gain from the sale or exchange of a USRPI and (ii) acquires, or enters into a contract or option to acquire, other shares of our common stock within 30 days after such ex-dividend date.

*Estate Tax.* If our stock is owned or treated as owned by an individual who is not a citizen or resident (as specially defined for U.S. federal estate tax purposes) of the United States at the time of such individual’s death, the stock will be includable in the individual’s gross estate for U.S. federal estate tax purposes, unless an applicable estate tax treaty provides otherwise, and may therefore be subject to U.S. federal estate tax.

*Information Reporting Requirements and Backup Withholding for Non-U.S. Stockholders.* Payments of dividends or of proceeds from the disposition of stock made to a non-U.S. holder may be subject to information reporting and backup withholding unless such holder establishes an exemption, for example, by properly certifying its non-U.S. status on an Internal Revenue Service Form W-8BEN or another appropriate version of Internal Revenue Service Form W-8. Notwithstanding the foregoing, backup withholding and information reporting may apply if either we have, or our paying agent has actual knowledge or reason to know, that a non-U.S. holder is a United States person. Backup withholding is not an additional tax. Rather, the United States income tax liability of persons subject to backup withholding will be reduced by the amount of tax withheld. If withholding results in an overpayment of taxes, a refund or credit may be obtained, provided that the required information is furnished to the Internal Revenue Service.

*Foreign Accounts.* Withholding taxes may be imposed under Sections 1471 to 1474 of the Code (such sections commonly referred to as the Foreign Account Tax Compliance Act (“FTACA”)) on certain types of payments made to “foreign financial institutions” and certain other non-U.S. entities unless certain due diligence, reporting, withholding, and certification obligations requirements are satisfied.

As a general matter, FATCA imposes a 30% withholding tax on dividends on, and gross proceeds from the sale or other disposition of, our shares if paid to a foreign entity unless either (i) the foreign entity is a “foreign financial institution” that undertakes certain due diligence, reporting, withholding, and certification obligations, (ii) the foreign entity is not a “foreign financial institution” and identifies certain of its U.S. investors, or (iii) the foreign entity otherwise is excepted under FATCA.

Under the applicable Treasury Regulations and administrative guidance, withholding under FATCA generally applies to payments of dividends on our common stock. While withholding under FATCA would have applied also to payments of gross proceeds from the sale or other disposition of stock on or after January 1, 2019, proposed Treasury Regulations eliminate FATCA withholding on payments of gross proceeds entirely. Taxpayers generally may rely on these proposed Treasury Regulations until final Treasury Regulations are issued. Because we may not know the extent to which a distribution is a dividend for U.S. federal income tax purposes at the time it is made, for purposes of these withholding rules we may treat the entire distribution as a dividend.

If withholding is required under FATCA on a payment related to our stock, investors that otherwise would not be subject to withholding (or that otherwise would be entitled to a reduced rate of withholding) generally will be required to seek a refund or credit from the IRS to obtain the benefit of such exemption or reduction (provided that such benefit is available). We will not pay any additional amounts in respect of amounts withheld under FATCA. Prospective investors should consult their tax advisors regarding the effect of FATCA in their particular circumstances.

### ***Taxation of Tax-Exempt Stockholders***

Tax-exempt entities, including qualified employee pension and profit sharing trusts and individual retirement accounts, generally are exempt from federal income taxation. However, they may be subject to taxation on their unrelated business taxable income, or UBTI. While some investments in real estate may generate UBTI, the Internal Revenue Service has ruled that dividend distributions from a REIT to a tax-exempt entity do not constitute UBTI. Based on that ruling, and provided that (i) a tax-exempt stockholder has not held our stock as “debt financed property” within the meaning of the Internal Revenue Code (i.e., where the acquisition or holding of the property is financed through a borrowing by the tax-exempt stockholder), and (ii) our stock is not otherwise used in an unrelated trade or business, distributions that we make and income from the sale of our stock generally should not give rise to UBTI to a tax-exempt stockholder. To the extent, however, that we are (or a part of us, or a disregarded subsidiary of ours, is) deemed to be a TMP, or if we hold residual interests in a REMIC, a portion of the distributions paid to a tax-exempt stockholder that is allocable to excess inclusion income may be treated as UBTI. We anticipate that our investments may generate excess inclusion income.

If excess inclusion income is allocable to some categories of tax-exempt stockholders that are not subject to UBTI, such as governmental investors, we will be subject to corporate level tax on such income, and, in that case, we are authorized to reduce and intend to reduce the amount of distributions to those stockholders whose ownership gave rise to the tax. See “—Taxation of Cantor Fitzgerald Income Trust, Inc.—Taxable Mortgage Pools and Excess Inclusion Income.” As required by Internal Revenue Service guidance, we intend to notify our stockholders if a portion of a distribution paid by us is attributable to excess inclusion income.

Tax-exempt stockholders that are social clubs, voluntary employee benefit associations, supplemental unemployment benefit trusts, and qualified group legal services plans exempt from federal income taxation under Sections 501(c)(7), (c)(9), (c)(17) and (c)(20) of the Internal Revenue Code are subject to different UBTI rules, which generally require such stockholders to characterize distributions that we make as UBTI.

In certain circumstances, a pension trust that owns more than 10% of our stock (by value) could be required to treat a percentage of its distributions as UBTI, if we are a “pension-held REIT.” We will not be a pension-held REIT unless either (i) one pension trust owns more than 25% of the value of our stock, or (ii) a group of pension trusts, each individually holding more than 10% of the value of our stock, collectively owns more than 50% of our stock. Certain restrictions on ownership and transfer of our stock should generally prevent a tax-exempt entity from owning more than 10% of the value of our stock and should generally prevent us from becoming a pension-held REIT.

Tax-exempt stockholders are urged to consult their tax advisors regarding the federal, state, local and foreign income and other tax consequences of owning our stock.

### **Foreign Investments**

Taxes and similar impositions paid by us or our subsidiaries in foreign jurisdictions may not be passed through to, or used by, our stockholders as a foreign tax credit or otherwise. Such taxes and impositions will, however, generally be deductible by us against our taxable income. See “Risk Factors—Federal Income Tax Risks.”

### **Backup Withholding and Information Reporting**

We will report to our domestic stockholders and the Internal Revenue Service the amount of dividends paid during each calendar year and the amount of any tax withheld. Under the backup withholding rules, a domestic stockholder 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 domestic stockholder that does not provide his or her correct taxpayer identification number or social security number may also be subject to penalties imposed by the Internal Revenue Service. Backup withholding is not an additional tax. In addition, we may be required to withhold a portion of a capital gain distribution to any domestic stockholder who fails to certify its non-foreign status.

We must report annually to the Internal Revenue Service and to each non-U.S. stockholder 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. stockholder resides under the provisions of an applicable income tax treaty. A non-U.S. stockholder may be subject to backup withholding unless applicable certification requirements are met. Payment of the proceeds of a sale of our common stock within the U.S. 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. stockholder (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 stock 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. stockholder and specified conditions are met or an exemption is otherwise established. 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 furnished to the Internal Revenue Service.

## **Other Tax Considerations**

### ***Legislative or Other Actions Affecting REITs***

The rules dealing with federal income taxation are constantly under review by persons involved in the legislative process and by the Internal Revenue Service and the U.S. Treasury Department. Changes to the federal tax laws and interpretations thereof could adversely affect an investment in our stock.

### ***State, Local and Foreign Taxes***

We and our subsidiaries and stockholders may be subject to state, local or foreign taxation in various jurisdictions including those in which we or they transact business, own property or reside. We may own real property assets located in numerous jurisdictions, and may be required to file tax returns in some or all of those jurisdictions. Our state, local or foreign tax treatment and that of our stockholders may not conform to the federal income tax treatment discussed above. We may own foreign real estate assets and pay foreign property taxes, and dispositions of foreign property or operations involving, or investments in, foreign real estate assets may give rise to foreign income or other tax liability in amounts that could be substantial. Any foreign taxes that we incur do not pass through to stockholders as a credit against their U.S. federal income tax liability. Prospective investors should consult their tax advisors regarding the application and effect of state, local and foreign income and other tax laws on an investment in our stock.

## ERISA CONSIDERATIONS

The following is a summary of some considerations associated with an investment in our shares by a qualified employee pension benefit plan or an individual retirement account (IRA). This summary is based on provisions of the Employee Retirement Income Security Act of 1974 (ERISA) and the Internal Revenue Code, each as amended through the date of this prospectus, and the relevant regulations, opinions and other authority issued by the Department of Labor and the Internal Revenue Service. We cannot assure you that there will not be adverse tax or labor decisions or legislative, regulatory or administrative changes that would significantly modify the statements expressed herein. Any such changes may apply to transactions entered into prior to the date of their enactment.

Each fiduciary of an employee pension benefit plan subject to ERISA (such as a profit sharing, Section 401(k) or pension plan) or any other retirement plan or account subject to Section 4975 of the Internal Revenue Code, such as an IRA, seeking to invest plan assets in our shares must consider, taking into account the facts and circumstances of each such plan or IRA (Benefit Plan), among other matters:

- whether the investment is consistent with the applicable provisions of ERISA and the Internal Revenue Code;
- whether, under the facts and circumstances pertaining to the Benefit Plan in question, the fiduciary's responsibility to the plan has been satisfied;
- whether the investment will produce an unacceptable amount of "unrelated business taxable income" ("UBTI") to the Benefit Plan (see "Federal Income Tax Considerations — Taxation of Stockholders — Taxation of Tax-Exempt Stockholders"); and
- the need to value the assets of the Benefit Plan annually.

Under ERISA, a plan fiduciary's responsibilities include the following duties:

- to act solely in the interest of plan participants and beneficiaries and for the exclusive purpose of providing benefits to them, as well as defraying reasonable expenses of plan administration;
- to invest plan assets prudently;
- to diversify the investments of the plan, unless it is clearly prudent not to do so;
- to ensure sufficient liquidity for the plan;
- to ensure that plan investments are made in accordance with plan documents; and
- to consider whether an investment would constitute or give rise to a prohibited transaction under ERISA or the Internal Revenue Code.

ERISA also requires that, with certain exceptions, the assets of an employee benefit plan be held in trust and that the trustee, or a duly authorized named fiduciary or investment manager, have exclusive authority and discretion to manage and control the assets of the plan.

### **Prohibited Transactions**

Generally, both ERISA and the Internal Revenue Code prohibit Benefit Plans from engaging in certain transactions involving plan assets with specified parties, such as sales or exchanges or leasing of property, loans or other extensions of credit, furnishing goods or services, or transfers to, or use of, plan assets. The specified parties are referred to as "parties-in-interest" under ERISA and as "disqualified persons" under the Internal Revenue Code. These definitions generally include both parties owning threshold percentage interests in an investment entity and "persons providing services" to the Benefit Plan, as well as employer sponsors of the



Benefit Plan, fiduciaries and other individuals or entities affiliated with the foregoing. For this purpose, a person generally is a fiduciary with respect to a Benefit Plan if, among other things, the person has discretionary authority or control with respect to plan assets or provides investment advice for a fee with respect to plan assets. Under Department of Labor regulations, a person shall be deemed to be providing investment advice if that person renders advice as to the advisability of investing in our shares, and that person regularly provides investment advice to the Benefit Plan pursuant to a mutual agreement or understanding that such advice will serve as the primary basis for investment decisions, and that the advice will be individualized for the Benefit Plan based on its particular needs. Thus, if we are deemed to hold plan assets, our management could be characterized as fiduciaries with respect to such assets, and each would be deemed to be a party-in-interest under ERISA and a disqualified person under the Internal Revenue Code with respect to investing Benefit Plans. Whether or not we are deemed to hold plan assets, if we or our affiliates are affiliated with a Benefit Plan investor, we might be a disqualified person or party-in-interest with respect to such Benefit Plan investor, resulting in a prohibited transaction merely upon investment by such Benefit Plan in our shares.

### **Plan Asset Considerations**

In order to determine whether an investment in our shares by a Benefit Plan creates or gives rise to the potential for either prohibited transactions or a commingling of assets as referred to above, a fiduciary must consider whether an investment in our shares will cause our assets to be treated as assets of the investing Benefit Plan. Section 3(42) of ERISA defines the term “plan assets” to mean plan assets as defined in regulations (the “Plan Assets Regulation”) promulgated by the Department of Labor. These regulations provide guidelines as to whether, and under what circumstances, the underlying assets of an entity will be deemed to constitute assets of a Benefit Plan when the plan invests in that entity. Under the Plan Assets Regulation, the assets of an entity in which a Benefit Plan makes an equity investment will generally be deemed to be assets of the Benefit Plan, unless one of the exceptions to this general rule applies.

In the event that our underlying assets were treated as the assets of investing Benefit Plans, our management would be treated as fiduciaries with respect to each Benefit Plan stockholder and an investment in our shares might constitute an ineffective delegation of fiduciary responsibility to Cantor Fitzgerald Income Advisors, LLC, our advisor, and expose the fiduciary of the Benefit Plan to co-fiduciary liability under ERISA for any breach by our advisor of the fiduciary duties mandated under ERISA. Further, if our assets are deemed to be “plan assets,” an investment by an IRA in our shares might be deemed to result in an impermissible commingling of IRA assets with other property.

If our advisor or its affiliates were treated as fiduciaries with respect to Benefit Plan stockholders, the prohibited transaction restrictions of ERISA and the Internal Revenue Code would apply to any transaction involving our assets. These restrictions could, for example, require that we avoid transactions with persons that are affiliated with or related to us or our affiliates or require that we restructure our activities in order to obtain an administrative exemption from the prohibited transaction restrictions. Alternatively, we might have to provide Benefit Plan stockholders with the opportunity to sell their shares to us or we might dissolve.

If a prohibited transaction were to occur, the Internal Revenue Code imposes an excise tax equal to 15% of the amount involved and authorizes the Internal Revenue Service to impose an additional 100% excise tax if the prohibited transaction is not “corrected” in a timely manner. These taxes would be imposed on any disqualified person who participates in the prohibited transaction. In addition, our advisor and possibly other fiduciaries of Benefit Plan stockholders subject to ERISA who permitted the prohibited transaction to occur or who otherwise breached their fiduciary responsibilities (or a non-fiduciary participating in a prohibited transaction) could be required to restore to the Benefit Plan any profits they realized as a result of the transaction or breach and make good to the Benefit Plan any losses incurred by the Benefit Plan as a result of the transaction or breach. With respect to an IRA that invests in our shares, the occurrence of a prohibited transaction involving the individual who established the IRA, or his or her beneficiary, would cause the IRA to lose its tax-exempt status under Section 408(e)(2) of the Internal Revenue Code.

The Plan Assets Regulation provides that the underlying assets of an entity such as a REIT will be treated as assets of a Benefit Plan investing therein unless the entity satisfies one of the exceptions to the general rule. We believe that we will satisfy one or more of the exceptions.

*Exception for “Publicly-Offered Securities.”* If a Benefit Plan acquires “publicly-offered securities,” the assets of the issuer of the securities will not be deemed to be “plan assets” under the Plan Assets Regulation. A publicly-offered security must be:

- sold as part of a public offering registered under the Securities Act of 1933, as amended, and be part of a class of securities registered under the Securities Exchange Act of 1934, as amended, within a specified time period;
- part of a class of securities that is owned by 100 or more persons who are independent of the issuer and one another; and
- “freely transferable.”

Our shares are being sold as part of an offering of securities to the public pursuant to an effective registration statement under the Securities Act of 1933 and are part of a class that has been registered under the Securities Exchange Act of 1934 within the specified period. In addition, we believe we have in excess of 100 independent stockholders.

Whether a security is “freely transferable” depends upon the particular facts and circumstances. The Plan Assets Regulation provides several examples of restrictions on transferability that, absent unusual circumstances, will not prevent the rights of ownership in question from being considered “freely transferable” if the minimum investment is \$10,000 or less. Where the minimum investment in a public offering of securities is \$10,000 or less, the presence of the following restrictions on transfer will not ordinarily affect a determination that such securities are “freely transferable”:

- any restriction on, or prohibition against, any transfer or assignment that would either result in a termination or reclassification of the entity for federal or state tax purposes or that would violate any state or federal statute, regulation, court order, judicial decree or rule of law;
- any requirement that not less than a minimum number of shares or units of such security be transferred or assigned by any investor, provided that such requirement does not prevent transfer of all of the then remaining shares or units held by an investor;
- any prohibition against transfer or assignment of such security or rights in respect thereof to an ineligible or unsuitable investor; and
- any requirement that reasonable transfer or administrative fees be paid in connection with a transfer or assignment.

Our structure has been established with the intent to satisfy the “freely transferable” requirement set forth in the Plan Assets Regulation with respect to our shares, although there is no assurance that our shares will meet such requirement. Whether a security is “freely transferable” depends upon the particular facts and circumstances. Shares of common stock are subject to certain restrictions on transferability intended to ensure that we continue to qualify for federal income tax treatment as a REIT. The Plan Assets Regulation provides, however, that where the minimum investment in a public offering of securities is \$10,000 or less, the presence of a restriction on transferability intended to prohibit transfers which would result in a termination or reclassification of the entity for state or federal tax purposes will not ordinarily affect a determination that such securities are freely transferable. The minimum investment in Class S, Class T and Class D shares of our common stock is less than \$10,000; thus, we believe that the restrictions imposed in order to maintain our status as a REIT should not cause the shares of common stock to be deemed not freely transferable. The minimum initial investment for Class I shares is \$1,000,000, unless waived by us. However, each Class I share has a value substantially below \$10,000

and, after they are purchased, such shares can be sold or otherwise disposed of in a block of any number of shares. Because the Class I shares may be sold in amounts less than \$10,000 after the initial purchase, and because there are no restrictions on who may purchase such shares after the initial purchase (subject to state securities laws and regulations), we believe the restrictions on these shares should also be disregarded in determining whether such shares are “freely transferable.” Although there can be no assurance that the freely transferable requirement will be met with respect to these classes of shares, we believe that these classes of shares should be treated as “freely transferable.” Nonetheless, we cannot assure you that the Department of Labor and/or the U.S. Treasury Department could not reach a contrary conclusion.

We believe that since we have 100 investors that are independent of us and of one another, our common shares will be “widely held” and we believe that our common shares are “freely transferable” as described above and, accordingly, that the common shares offered hereby should be deemed to be publicly-offered securities for the purposes of the Department of Labor regulations and that our assets should not be deemed to be “plan assets” of any Plan that invests in our common shares. Nonetheless, we cannot assure you that the Department of Labor, or DOL, and/or the U.S. Treasury Department could not reach a contrary conclusion.

*Exception for Insignificant Participation by Benefit Plan Investors.* The Plan Assets Regulation provides that the assets of an entity will not be deemed to be the assets of a Benefit Plan if equity participation in the entity by employee benefit plans, including Benefit Plans, is not significant. The Plan Assets Regulation provides that equity participation in an entity by Benefit Plan investors is “significant” if at any time 25% or more of the value of any class of equity interest is held by Benefit Plan investors. The term “Benefit Plan investors” is defined for this purpose under ERISA Section 3(42) and includes any employee benefit plan subject to Part 4 of Subtitle B of Title I of ERISA, any plan subject Section 4975 of the Internal Revenue Code, and any entity whose underlying assets include plan assets by reasons of a plan’s investment in such entity. In calculating the value of a class of equity interests, the value of any equity interests held by us or any of our affiliates must be excluded. It is not clear whether we will qualify for this exception since we do expect to have equity participation by “Benefit Plan investors” that may be in excess of 25%, which would be deemed to be significant, as defined above.

### **Other Prohibited Transactions**

Regardless of whether the shares qualify for the “publicly-offered securities” exception of the Plan Assets Regulation, a prohibited transaction could occur if we, our advisor, any selected broker-dealer or any of their affiliates is a fiduciary (within the meaning of Section 3(21) of ERISA) with respect to any Benefit Plan purchasing our shares. Accordingly, unless an administrative or statutory exemption applies, shares should not be purchased by a Benefit Plan with respect to which any of the above persons is a fiduciary.

### **Annual Valuation**

A fiduciary of an employee benefit plan subject to ERISA is required to determine annually the fair market value of each asset of the plan as of the end of the plan’s fiscal year and to file a report reflecting that value with the Department of Labor. When the fair market value of any particular asset is not available, the fiduciary is required to make a good faith determination of that asset’s fair market value, assuming an orderly liquidation at the time the determination is made. In addition, a trustee or custodian of an IRA must provide an IRA participant with a statement of the value of the IRA each year. Failure to satisfy these requirements may result in penalties, damages or other sanctions.

Unless and until our shares are listed on a national securities exchange, we do not expect that a public market for our shares will develop. To date, neither the Internal Revenue Service nor the Department of Labor has promulgated regulations specifying how a plan fiduciary or IRA custodian should determine the fair market value of shares when the fair market value of such shares is not determined in the marketplace. When determining the NAV of our shares of each class on each valuation date, the NAV of our shares of each class may be based upon a number of assumptions that may not be accurate or complete. The valuations are estimates

and consequently should not necessarily be viewed as an accurate reflection of the fair value of our investments nor will they necessarily represent the amount of net proceeds that would result from an immediate sale of our assets.

**The foregoing requirements of ERISA and the Internal Revenue Code are complex and subject to change. Plan fiduciaries and the beneficial owners of IRAs are urged to consult with their own advisors regarding an investment in our shares.**

## DESCRIPTION OF SHARES

We were formed as a corporation under the laws of the State of Maryland. The rights of our stockholders are governed by Maryland law as well as our charter and bylaws. The following summary of the terms of our stock is a summary of all material provisions concerning our stock and you should refer to the Maryland General Corporation Law and our charter and bylaws for a full description. The following summary is qualified in its entirety by the more detailed information contained in our charter and bylaws. Copies of our charter and bylaws are incorporated by reference as exhibits to the registration statement of which this prospectus is a part. You can obtain copies of our charter and bylaws and every other exhibit to our registration statement. Please see “Where You Can Find More Information” below.

Under our charter, we have authority to issue 450,000,000 shares of capital stock, of which 400,000,000 shares are designated as common stock with a par value of \$0.01 per share, and 50,000,000 shares are designated as preferred stock with a par value of \$0.01 per share. Of the total shares of common stock authorized, 10,000,000 are classified as Class AX shares, 5,000,000 are classified as Class TX shares, 5,000,000 are classified as Class IX shares, 100,000,000 are classified as Class T shares, 20,000,000 are classified as Class S shares, 60,000,000 are classified as Class D shares and 200,000,000 are classified as Class I shares. As of the date of this prospectus, we have no Class T shares, Class S shares, Class D shares, Class I shares or preferred shares issued and outstanding. Our board of directors may amend our charter from time to time to increase or decrease the aggregate number of authorized shares of stock or the number of authorized shares of stock of any class or series. Our board of directors may classify or reclassify any unissued shares of our stock from time-to-time into one or more classes or series; provided, however, that the voting rights per share (other than any publicly held share) sold in a private offering shall not exceed the voting rights which bear the same relationship to the voting rights of publicly held shares as the consideration paid to us for each privately offered share bears to the book value of each outstanding publicly held share.

As of September 30, 2023, 3,841,505 Class AX shares, 1,205,743 Class IX shares, 262,749 Class TX shares, 671,079 Class D shares, 7,792,994 Class I shares, 1,455,806 Class T shares and 7,049 Class S shares are outstanding.

### **Common Stock**

Subject to the restrictions on transfer and ownership of shares of stock contained in our charter and except as may otherwise be specified in our charter, the holders of our common stock are entitled to one vote per share on all matters submitted to a stockholder vote, including the election of our directors. Our charter does not provide for cumulative voting in the election of our directors. Therefore, the holders of a majority of our outstanding common stock can elect our entire board of directors. Except as our charter may provide with respect to any class or series of preferred stock that we may issue in the future, the holders of our common stock will possess exclusive voting power.

Holders of our common stock will be entitled to receive such distributions as authorized from time to time by our board of directors and declared by us out of legally available funds, subject to any preferential rights of any preferred stock that we issue in the future. In any liquidation, each outstanding share of common stock entitles its holder to share (based on the percentage of shares held) in the assets that remain after we pay our liabilities and any preferential distributions owed to preferred stockholders. Holders of shares of our common stock will not have preemptive rights, which means that you will not have an automatic option to purchase any new shares that we issue, nor will holders of our shares of common stock have any preference, conversion, exchange, sinking fund or redemption rights. Holders of shares of our common stock will not have any appraisal rights unless our board of directors, upon such terms and conditions as may be specified by the board of directors, determines that appraisal rights apply, with respect to all or any classes or series of stock, to one or more transactions occurring after the date of such determination in connection with which holders of shares of our common stock would otherwise be entitled to exercise appraisal rights. Our common stock shall be non-assessable by us upon our receipt of the consideration for which our board of directors authorized its issuance. Stockholders are not liable for our acts or obligations.

Our board of directors has authorized the issuance of shares of our stock without certificates. We expect that, until our shares are listed on a national securities exchange, we will not issue shares in certificated form. Information regarding restrictions on the transferability of our shares that, under Maryland law, would otherwise have been required to appear on our stock certificates will instead be furnished to stockholders upon request and without charge. These requests should be delivered or mailed to:

- *Regular mail:* Cantor Fitzgerald Income Trust, Inc., PO Box 219206, Kansas City, MO 64121-9206.
- *Overnight mail:* Cantor Fitzgerald Income Trust, Inc., c/o DST Systems, Inc., 430 W. 7<sup>th</sup> Street, STE 219206, Kansas City, MO 64105.
- *Telephone:* 855-9-CANTOR.

We maintain a stock ledger that contains the name and address of each stockholder and the number of shares that the stockholder holds. With respect to uncertificated stock, we will continue to treat the stockholder registered on our stock ledger as the owner of the shares until the new owner delivers a properly executed form to us, which form we will provide to any registered holder upon request.

We are not offering the IPO shares (Class AX shares, Class TX shares and Class IX shares) in this offering.

### ***Class T shares***

Each Class T share issued in the primary offering is subject to an upfront selling commission of up to 3.0%, and an upfront dealer manager fee of 0.5%, of the transaction price of each Class T share sold in the offering on the date of the purchase, however such amounts may vary at certain participating broker-dealers provided that the sum will not exceed 3.5% of the transaction price. Our dealer manager anticipates that all or a portion of the upfront selling commissions and dealer manager fees will be retained by, or reallocated (paid) to, participating broker-dealers.

We pay our dealer manager selling commissions over time as a distribution fee with respect to our outstanding Class T shares equal to 0.85% per annum of the aggregate NAV of our outstanding Class T shares. For each Class T share, this distribution fee consists of an advisor distribution fee and a dealer distribution fee. We expect that generally the advisor distribution fee will equal 0.65% per annum and the dealer distribution fee will equal 0.20% per annum, of the aggregate NAV for each Class T share. However, with respect to Class T shares sold through certain participating broker-dealers, the advisor distribution fee and the dealer distribution fee may be other amounts, provided that the sum of such fees will always equal 0.85% per annum of the NAV of such shares. The distribution fees are paid monthly in arrears. Our dealer manager reallocates (pays) all or a portion of the distribution fees to participating broker-dealers and servicing broker-dealers for ongoing stockholder services performed by such broker-dealers.

The upfront selling commission and dealer manager fee are each not payable in respect of any Class T shares sold pursuant to our distribution reinvestment plan, but such shares will be charged the distribution fee payable with respect to all our outstanding Class T shares.

We will cease paying the distribution fee with respect to any Class T share held in a stockholder's account at the end of the month in which our dealer manager in conjunction with the transfer agent determines that total upfront selling commissions, dealer manager fees and distribution fees paid with respect to the shares held by such stockholder within such account would exceed, in the aggregate, 8.75% (or a lower limit as set forth in the applicable agreement between our dealer manager and a participating broker-dealer at the time such Class T shares were issued) of the gross proceeds from the sale of such shares (including the gross proceeds of any shares issued under our distribution reinvestment plan with respect thereto). At the end of such month, such Class T share will convert into a number of Class I shares (including any fractional shares) with an equivalent aggregate NAV as such share. Although we cannot predict the length of time over which the distribution fee will be paid



due to potential changes in the NAV of our shares, this fee would be paid with respect to a Class T share (in the case of a limit of 8.75% of gross proceeds) over approximately 6.18 years from the date of purchase, assuming payment of the full upfront selling commissions and dealer manager fees, opting out of the distribution reinvestment plan and a constant NAV of \$25.00 per share. Under these assumptions, if a stockholder holds his or her shares for this time period, this fee with respect to a Class T share would total approximately \$1.31.

### ***Class S shares***

Each Class S share issued in the primary offering is subject to an upfront selling commission of up to 3.5% of the transaction price of each Class S share sold in the offering on the date of the purchase. Our dealer manager anticipates that all or a portion of the upfront selling commissions will be retained by, or reallocated (paid) to, participating broker-dealers.

We pay our dealer manager selling commissions over time as a distribution fee with respect to our outstanding Class S shares equal to 0.85% per annum of the aggregate NAV of our outstanding Class S shares. The distribution fees are paid monthly in arrears. Our dealer manager realloves (pays) all or a portion of the distribution fees to participating broker-dealers and servicing broker-dealers for ongoing stockholder services performed by such broker-dealers.

The upfront selling commission is not payable in respect of any Class S shares sold pursuant to our distribution reinvestment plan, but such shares will be charged the distribution fee payable with respect to all our outstanding Class S shares.

We will cease paying the distribution fee with respect to any Class S share held in a stockholder's account at the end of the month in which our dealer manager in conjunction with the transfer agent determines that total upfront selling commissions and distribution fees paid with respect to the shares held by such stockholder within such account would exceed, in the aggregate, 8.75% of the gross proceeds from the sale of such shares (including the gross proceeds of any shares issued under our distribution reinvestment plan with respect thereto). At the end of such month, such Class S share will convert into a number of Class I shares (including any fractional shares) with an equivalent aggregate NAV as such share. Although we cannot predict the length of time over which the distribution fee will be paid due to potential changes in the NAV of our shares, this fee would be paid with respect to a Class S share over approximately 6.18 years from the date of purchase, assuming payment of the full upfront selling commissions, opting out of the distribution reinvestment plan and a constant NAV of \$25.00 per share. Under these assumptions, if a stockholder holds his or her shares for this time period, this fee with respect to a Class S share would total approximately \$1.31.

### ***Class D shares***

No upfront selling commissions or distribution fees are paid for sales of any Class D shares.

We pay our dealer manager selling commissions over time as a distribution fee with respect to our outstanding Class D shares equal to 0.25% per annum of the aggregate NAV of all our outstanding Class D shares, including any Class D shares sold pursuant to our distribution reinvestment plan. The distribution fees are paid monthly in arrears. Our dealer manager realloves (pays) all or a portion of the distribution fees to participating broker-dealers and servicing broker-dealers for ongoing stockholder services performed by such broker-dealers.

Class D shares are generally available for purchase in this offering only (1) through fee-based programs, also known as wrap accounts, that provide access to Class D shares, (2) through participating broker-dealers that have alternative fee arrangements with their clients to provide access to Class D shares, (3) through transaction/ brokerage platforms at participating broker-dealers, (4) through certain registered investment advisers, (5) through bank trust departments or any other organization or person authorized to act in a fiduciary capacity for its clients or customers or (6) by other categories of investors that we name in an amendment or supplement

to this prospectus. We will cease paying the distribution fee with respect to any Class D share held in a stockholder's account at the end of the month in which our dealer manager in conjunction with the transfer agent determines that total upfront selling commissions and distribution fees paid with respect to the shares held by such stockholder within such account would exceed, in the aggregate, 8.75% of the gross proceeds from the sale of such shares (including the gross proceeds of any shares issued under our distribution reinvestment plan with respect thereto).

At the end of such month, such Class D share will convert into a number of Class I shares (including any fractional shares) with an equivalent aggregate NAV as such share. Although we cannot predict the length of time over which the distribution fee will be paid due to potential changes in the NAV of our shares, this fee would be paid with respect to a Class D share over approximately 35 years from the date of purchase, assuming opting out of the distribution reinvestment plan and a constant NAV of \$25.00 per share. Under these assumptions, if a stockholder holds his or her shares for this time period, this fee with respect to a Class D share would total approximately \$2.19.

### ***Class I shares***

No upfront selling commissions or distribution fees are paid for sales of any Class I shares.

Class I shares are generally available for purchase in this offering only (1) through fee-based programs, also known as wrap accounts, that provide access to Class I shares, (2) by endowments, foundations, pension funds and other institutional investors, (3) through participating broker-dealers that have alternative fee arrangements with their clients to provide access to Class I shares, (4) through certain registered investment advisers, (5) by our executive officers and directors and their immediate family members, as well as officers and employees of our advisor, Cantor or other affiliates and their immediate family members, and, if approved by our board of directors, joint venture partners, consultants and other service providers or (6) other categories of investors that we name in an amendment or supplement to this prospectus. In certain cases, where a holder of Class S, Class T or Class D shares exits a relationship with a participating broker-dealer for this offering and does not enter into a new relationship with a participating broker-dealer for this offering, such holder's shares may be exchanged for Class I shares with an equivalent NAV.

### ***Other Terms of Common Stock***

If not already converted into Class I shares upon a determination that total upfront selling commissions, dealer manager fees and distribution fees paid with respect to such shares would exceed the applicable limit as described in the "—Class T shares," "—Class S shares" and "—Class D shares" sections above, each Class T share, Class S share and Class D share held in a stockholder's account will automatically and without any action on the part of the holder thereof convert into a number of Class I shares (including any fractional shares) with an equivalent NAV as such share on the earliest of (i) a listing of Class I shares, (ii) our merger or consolidation with and into another entity or the sale or other disposition of all or substantially all of our assets or (iii) after termination of the primary portion of the offering in which such Class T shares, Class S shares and Class D shares were sold, the end of the month in which we, with the assistance of our dealer manager, determine that all underwriting compensation from all sources in connection with the offering, including upfront selling commissions, the distribution fee and other underwriting compensation, is equal to 10% of the gross proceeds of the primary portion of the offering. In addition, immediately before any liquidation, dissolution or winding up, each Class T share, Class S share and Class D share will automatically convert into a number of Class I shares (including any fractional shares) with an equivalent NAV as such share.

### **Preferred Stock**

Our charter authorizes our board of directors to designate and issue one or more classes or series of preferred stock without approval of our common stockholders. Our board of directors may determine the preferences,

conversion and other rights, voting powers, restrictions, limitations as to dividends or other distributions, qualifications and terms and conditions of redemption of each class or series of preferred stock so issued, which may be more beneficial than the rights, preferences and privileges attributable to our common stock. The issuance of preferred stock could have the effect of delaying or preventing a change in control. Our board of directors has no present plans to issue preferred stock but may do so at any time in the future without stockholder approval.

### **Meetings and Special Voting Requirements**

An annual meeting of our stockholders will be held each year, at least 30 days after delivery of our annual report. Special meetings of stockholders may be called by a majority of our directors, a majority of our independent directors, our chairman of the board, our chief executive officer or our president and must be called by our secretary to act on any matter that may properly be considered at a meeting of stockholders upon the written request of stockholders entitled to cast at least 10% of the votes entitled to be cast on such matter at the special meeting. Upon receipt of a written request of such stockholders stating the purpose of the special meeting, our secretary will provide all of our stockholders written notice of the meeting and the purpose of such meeting within ten days after receipt of such request. The meeting must be held not less than 15 days or more than 60 days after the distribution of the notice of the meeting, at a time and place specified in the request, or if none is specified, at a time and place convenient to stockholders. The presence in person or by proxy of stockholders entitled to cast 50% of all the votes entitled to be cast at any stockholder meeting constitutes a quorum. Unless otherwise provided by the Maryland General Corporation Law or our charter, the affirmative vote of a majority of all votes cast is necessary to take stockholder action. With respect to the election of directors, each candidate nominated for election to the board of directors must receive a majority of the votes present, in person or by proxy, in order to be elected. Therefore, if a nominee receives fewer “for” votes than “withhold” votes in an election, then the nominee will not be elected. Class T shares, Class S shares, Class D shares, Class I shares and the IPO shares vote together as a single class, and each share is entitled to one vote per share on each matter submitted to a vote at a meeting of our stockholders.

Under Maryland law, a Maryland corporation generally cannot dissolve, amend its charter, merge, convert, sell all or substantially all of its assets, engage in a share exchange or engage in similar transactions outside the ordinary course of business, unless approved by the affirmative vote of stockholders entitled to cast at least two-thirds of all the votes entitled to be cast on the matter. However, a Maryland corporation may provide in its charter for approval of these matters by a lesser percentage, but not less than a majority of all the votes entitled to be cast on the matter. Our charter provides for approval of these matters by the affirmative vote of stockholders entitled to cast a majority of all the votes entitled to be cast on the matter. Further, although Section 3-105(a)(4) of the MGCL would permit us to effect a share exchange pursuant to Section 3-102(a)(7) of the MGCL without stockholder approval if we are the successor, we have adopted a policy that we may not, without approval of a majority of shares entitled to vote on the matter, effect such share exchange.

Further, although Section 3-105(a)(4) of the MGCL would permit us to effect a share exchange pursuant to Section 3-102(a)(7) of the MGCL without stockholder approval if we are the successor, we have adopted a policy that we may not, without approval of a majority of shares entitled to vote on the matter, effect such share exchange.

The term of our advisory agreement with our advisor will end after one year but may be renewed for an unlimited number of successive one-year periods upon the mutual consent of our advisor and us. Our independent directors will annually review our advisory agreement with our advisor. While the stockholders do not have the ability to vote to replace our advisor or to select a new advisor, stockholders do have the ability, by the affirmative vote of a majority of the votes entitled to be cast generally in the election of directors, to remove a director from our board.

### **Advance Notice for Stockholder Nominations for Directors and Proposals of New Business**

Our bylaws provide that with respect to an annual meeting of stockholders, nominations of individuals for election to our board of directors and the proposal of business to be considered by stockholders may be made

only (i) pursuant to our notice of the meeting, (ii) by or at the direction of our board of directors or (iii) by a stockholder who is a stockholder of record at the record date set by our board of directors for the purpose of determining stockholders entitled to vote at the meeting, at the time of giving the advance notice required by our bylaws and at the time of the meeting, who is entitled to vote at the meeting in the election of each individual so nominated or on any such other business and who has complied with the advance notice procedures of our bylaws. With respect to special meetings of stockholders, only the business specified in our notice of the meeting may be brought before the meeting. Nominations of individuals for election to our board of directors at a special meeting may be made only (i) by or at the direction of our board of directors or (ii) provided that the special meeting has been called in accordance with our bylaws for the purpose of electing directors, by a stockholder who is a stockholder of record at the record date set by our board of directors for the purpose of determining stockholders entitled to vote at the meeting, at the time of giving the advance notice required by our bylaws and at the time of the meeting, who is entitled to vote at the meeting in the election of each individual so nominated and who has complied with the advance notice provisions of our bylaws. Failure to comply with the notice provisions will make stockholders unable to nominate directors or propose new business.

### **Rights Upon Liquidation**

In the event of any voluntary or involuntary liquidation, dissolution or winding up of us, or any liquidating distribution of our assets, then such assets, or the proceeds therefrom, will be distributed between the holders of shares of each class of our common stock ratably in proportion to the respective NAV for each class until the NAV for each class has been paid. We will calculate the NAV as a whole for all shares of our common stock and then will determine any differences attributable to each class. Each holder of shares of a particular class of common stock will be entitled to receive, proportionately with each other holder of shares of such class, that portion of such aggregate assets available for distribution to such class as the number of outstanding shares of such class held by such holder bears to the total number of outstanding shares of such class then outstanding.

### **Registration Rights Agreement**

We anticipate entering into a registration rights agreement with our advisor and the special unit holder, pursuant to which our advisor or the special unit holder may require us to prepare and file, at our expense, a shelf registration statement relating to the resale of all shares of our common stock currently held or later acquired by them or their permitted transferees and under certain circumstances they may require us to file resale registration statements on demand and provide unlimited “piggyback” rights with respect to the resale of such shares (subject to certain cutback and other provisions).

### **Restriction on Ownership of shares**

#### ***Ownership Limit***

To maintain our REIT qualification, not more than 50% in value of our outstanding shares may be owned, directly or indirectly, by five or fewer individuals (including certain entities treated as individuals under the Internal Revenue Code) during the last half of each taxable year. In addition, at least 100 persons who are independent of us and each other must beneficially own our outstanding shares for at least 335 days per 12-month taxable year or during a proportionate part of a shorter taxable year. Each of the two requirements specified in the two preceding sentences shall not apply to any period prior to the second year for which we elect to be taxed as a REIT. We may prohibit certain acquisitions and transfers of shares so as to ensure our continued qualification as a REIT under the Internal Revenue Code. However, we cannot assure you that this prohibition will be effective.

To help ensure that we meet these tests, our charter prohibits any person or group of persons from acquiring, directly or indirectly, beneficial ownership of more than 9.8% in value of the aggregate of our outstanding shares of stock or more than 9.8% in value or in number of shares, whichever is more restrictive, of the aggregate of our

outstanding shares of common stock unless exempted (prospectively or retroactively) by our board of directors. Our board of directors may waive this ownership limit with respect to a particular person if the board receives evidence, including certain representations and undertakings required by our charter, that ownership in excess of the limit will not jeopardize our REIT status. For purposes of this provision, we treat corporations, partnerships and other entities as single persons.

Any attempted transfer of our shares that, if effective, would result in our stock being beneficially owned by fewer than 100 persons will be null and void and the proposed transferee will acquire no rights in such stock. Any attempted transfer of our stock which, if effective, would result in violation of the ownership limit discussed above or in our being “closely held” under Section 856(h) of the Internal Revenue Code or otherwise failing to qualify as a REIT will cause the number of shares causing the violation (rounded up to the nearest whole share) to be automatically transferred to a trust for the exclusive benefit of one or more charitable beneficiaries. The prohibited transferee will not acquire any rights in the shares. The automatic transfer will be deemed to be effective as of the close of business on the business day prior to the date of the attempted transfer. We will designate a trustee of the trust that will not be affiliated with us or the prohibited transferee. We will also name one or more charitable organizations as a beneficiary of the share trust.

Shares held in trust will remain issued and outstanding shares and will be entitled to the same rights and privileges as all other shares of the same class or series. The prohibited transferee will not benefit economically from any of the shares held in trust, will not have any rights to dividends or distributions and will not have the right to vote or any other rights attributable to the shares held in the trust. The trustee will receive all dividends and other distributions on the shares held in trust and will hold such dividends or other distributions in trust for the benefit of the charitable beneficiary. The trustee may vote any shares held in trust and, subject to Maryland law, will have the authority (i) to rescind as void any vote cast by the proposed transferee prior to our discovery that the shares have been transferred to the trust and (ii) to recast the vote in accordance with the desires of the trustee acting for the benefit of the charitable beneficiary. However, if we have already taken irreversible corporate action, then the trustee will not have the authority to rescind and recast the vote.

Within 20 days of receiving notice from us that shares have been transferred to the trust for the charitable beneficiary, the trustee will sell those shares to a person designated by the trustee whose ownership of the shares will not violate the above restrictions. Upon the sale, the interest of the charitable beneficiary in the shares sold will terminate and the trustee will distribute the net proceeds of the sale to the prohibited transferee and to the charitable beneficiary as follows. The prohibited transferee will receive the lesser of (i) the price paid by the prohibited transferee for the shares or, if the prohibited transferee did not give value for the shares in connection with the event causing the shares to be held in the trust (*e.g.*, a gift, devise or other similar transaction), the market price (as defined in our charter) of the shares on the day of the event causing the shares to be held in the trust and (ii) the price received by the trustee from the sale or other disposition of the shares. The trustee may reduce the amount payable to the prohibited transferee by the amount of dividends and other distributions which have been paid to the prohibited transferee and are owed by the prohibited transferee to the trustee. Any net sale proceeds in excess of the amount payable to the prohibited transferee will be paid immediately to the charitable beneficiary. If, prior to our discovery that shares have been transferred to the trust, the shares are sold by the prohibited transferee, then (i) the shares shall be deemed to have been sold on behalf of the trust and (ii) to the extent that the prohibited transferee received an amount for the shares that exceeds the amount he was entitled to receive, the excess shall be paid to the trustee upon demand.

In addition, shares held in the trust for the charitable beneficiary will be deemed to have been offered for sale to us, or our designee, at a price per share equal to the lesser of (i) the price per share in the transaction that resulted in the transfer to the trust (or, in the case of a devise or gift, the market price at the time of the devise or gift) and (ii) the market price on the date we, or our designee, accept the offer. We will have the right to accept the offer until the trustee has sold the shares. Upon a sale to us, the interest of the charitable beneficiary in the shares sold will terminate and the trustee will distribute the net proceeds of the sale to the prohibited transferee. We may reduce the amount payable to the prohibited transferee by the amount of dividends and other distributions which



have been paid to the prohibited transferee and are owed by the prohibited transferee to the trustee. We may pay the amount of such reduction to the trustee for the benefit of the charitable beneficiary.

Any person who acquires or attempts to acquire shares in violation of the foregoing restrictions or who would have owned the shares that were transferred to any such trust must give us immediate written notice of such event, and any person who proposes or attempts to acquire or receive shares in violation of the foregoing restrictions must give us at least 15 days' written notice prior to such transaction. In both cases, such persons shall provide to us such other information as we may request in order to determine the effect, if any, of such transfer on our status as a REIT.

The foregoing restrictions will continue to apply until our board of directors determines it is no longer in our best interest to continue to qualify as a REIT or that compliance is no longer required for REIT qualification. The ownership limit does not apply to any underwriter in an offering of our shares or to a person or persons exempted (prospectively or retroactively) from the ownership limit by our board of directors based upon appropriate assurances, including certain representations and undertakings required by our charter, that our qualification as a REIT would not be jeopardized.

Within 30 days after the end of each taxable year, every owner of more than 5% of our outstanding stock will be asked to deliver to us a statement setting forth the number of shares owned directly or indirectly by such person and a description of how such person holds the shares. Each such owner shall also provide us with such additional information as we may request in order to determine the effect, if any, of his or her beneficial ownership on our status as a REIT and to ensure compliance with our ownership limit.

These restrictions could delay, defer or prevent a transaction or change in control of our company that might involve a premium price for our shares of common stock or otherwise be in the best interests of our stockholders.

#### ***Suitability Standards and Minimum Purchase Requirements***

State securities laws and our charter require that purchasers of our common stock meet standards regarding (i) net worth or income and (ii) minimum purchase amounts. These standards are described above at "Suitability Standards" and "How to Subscribe" immediately following the cover page of this prospectus. Subsequent purchasers, i.e., potential purchasers of your shares, must also meet the net worth or income standards, and unless you are transferring all of your shares, you may not transfer our shares in a manner that causes you or your transferee to own fewer than the number of shares required to meet the minimum purchase requirements, except for the following transfers without consideration: transfers by gift, transfers by inheritance, intrafamily transfers, family dissolutions, transfers to affiliates and transfers by operation of law. These suitability and minimum purchase requirements are applicable until our shares of common stock are listed on a national securities exchange, and these requirements may make it more difficult for you to sell your shares.

#### **Distributions**

We have declared distributions from July 11, 2017 through August 31, 2020 in an amount equal to \$0.004253787 per day per share of common stock. We have declared a monthly distribution for the period from September 1, 2020 through May 31, 2023 in an amount equal to \$1.55 per share annualized, less, for holders of certain classes of shares, the distribution fees that are payable with respect to such classes of shares. From July 2017 until August 31, 2020, with the authorization of our board of directors, we have declared distributions as of daily record dates and paid the distributions monthly; however, since September 2020, we have and intend to continue to accrue and pay regular distributions as of monthly record dates. We expect to continue paying monthly distributions unless our results of operations, our general financial condition, general economic conditions or other factors inhibit us from doing so. The timing and amount of cash distributions will be determined by our board of directors, in its discretion, and may vary from time to time. In addition to cash distributions, our board of directors may authorize special stock dividends. Distributions will be made on all classes of our common stock



at the same time. The per share amount of distributions on Class T, Class S, Class D and Class I shares generally differ because of different class-specific distribution fees that are deducted from the gross distributions for each share class. Specifically, distributions on Class T and Class S shares will be lower than Class D shares, and Class D shares will be lower than Class I shares because we are required to pay higher ongoing distribution fees with respect to the Class T and Class S shares (compared to Class D shares and Class I shares) and we are required to pay higher ongoing distribution fees with respect to Class D shares (compared to Class I shares).

The following table summarizes our distributions declared during the nine months ended September 30, 2023 and for the year ended December 31, 2022.

	Nine Months Ended September 30, 2023		Year Ended December 31, 2022	
	Amount	Percent	Amount	Percent
<b>Distributions</b>				
Paid in cash . . . . .	\$11,133,846	63%	\$12,637,020	63%
Payable . . . . .	1,949,984	11%	1,965,999	10%
Reinvested in shares . . . . .	4,534,192	26%	5,416,564	27%
<b>Total distributions</b> . . . . .	<b>\$17,618,022</b>	<b>100%</b>	<b>\$20,019,582</b>	<b>100%</b>
<b>Sources of Distributions:</b>				
Operating cash flows . . . . .	\$11,720,096	67%	\$16,130,736	81%
Offering proceeds pursuant to Distribution Support Agreement <sup>(1)</sup> . . . . .	—	0%	1,867,720	9%
Offering proceeds . . . . .	5,897,926	33%	2,021,126	10%
<b>Total sources of distributions</b> . . . . .	<b>\$17,618,022</b>	<b>100%</b>	<b>\$20,019,582</b>	<b>100%</b>

(1) Pursuant to the distribution support agreement, our sponsor purchased Class I shares to the extent cash distributions exceed exceeded MFFO within 15 business days following our filing with the SEC of its periodic report for such calendar quarter or year.

During the nine months ended September 30, 2023, we declared \$17,618,022 of distributions to our shareholders (including those reinvested in shares pursuant to our distribution reinvestment plan), compared to our total aggregate MFFO loss of \$3,504,562 for the nine months ended September 30, 2023, and our total aggregate net loss of \$9,922,633 for such period. During the year ended December 31, 2022, we declared \$20,019,582 of distributions to our shareholders (including those reinvested in shares pursuant to our distribution reinvestment plan), compared to our total aggregate MFFO of \$6,113,977 and our total aggregate net loss of \$5,012,221 for that period.

We are required to make distributions sufficient to satisfy the requirements for qualification as a REIT for federal income tax purposes. Generally, income distributed will not be taxable to us under the Internal Revenue Code if we distribute at least 90% of our taxable income each year (computed without regard to the distributions paid deduction and our net capital gain). Distributions will be authorized at the discretion of our board of directors, in accordance with our income, cash flow and general financial condition. Our board of directors' discretion will be directed, in substantial part, by its obligation to cause us to comply with the REIT requirements. Because we may receive income from interest or rents at various times during our fiscal year and because we may need cash flow from operations during a particular period to repurchase shares of our common stock, our ability to make distributions may be negatively impacted and, distributions may not reflect our income earned in that particular distribution period and may be made in advance of actual receipt of funds in an attempt to make distributions relatively uniform. We are authorized to borrow money, issue new securities or sell assets to make distributions. There are no restrictions on the ability of our operating partnership to transfer funds to us.

In addition to cash distributions, our board of directors may authorize special stock dividends or special distributions of other securities. We are not prohibited from distributing such other securities in lieu of making

cash distributions to stockholders provided that the securities distributed to stockholders are readily marketable. The receipt of marketable securities in lieu of cash distributions may cause stockholders to incur transaction expenses in liquidating the securities. We do not have any current intention to list the shares of our common stock on a national securities exchange, nor is it expected that a public market for the shares of common stock will develop.

Generally, our policy is to pay distributions from cash flow from operations. However, we can give no assurance that we will pay distributions solely from our cash flow from operations in the future, especially during the period when we are raising capital and have not yet acquired a substantial portfolio of investments. Our organizational documents permit us to pay distributions to our stockholders from any source, including from borrowings, sale of assets and from offering proceeds or we may make distributions in the form of taxable stock dividends. We have not established a cap on the use of proceeds to fund distributions. We have paid and may continue to pay distributions from sources other than cash flow from operations, including from offering proceeds, and as a result we will have less cash available for investments and your overall return will be reduced. Our distributions, particularly during the period before we have substantially invested the net proceeds from this offering, will likely exceed our earnings, which may represent a return of capital for tax purposes.

In order to provide additional cash to pay distributions before we have acquired a substantial portfolio of income producing investments, our sponsor had agreed pursuant to the terms of a distribution support agreement in certain circumstances where our cash distributions exceeded MFFO, to purchase up to \$5.0 million of shares in our public offerings (including the \$2.0 million of shares purchased to satisfy the minimum offering in our initial public offering). The sponsor had purchased Class IX shares in our initial public offering and Class I shares in this offering at the then current offering price per such class of shares. Shares purchased by our sponsor pursuant to the distribution support agreement will be eligible to receive all distributions payable by us with respect to such class of shares. If we pay distributions from sources other than our cash flow from operations, we will have less cash available for investments, we may have to reduce our distribution rate, our net asset value may be negatively impacted and your overall return may be reduced. Our sponsor has fulfilled its remaining obligation pursuant to the distribution support agreement in the second quarter of 2022 and has no remaining obligation pursuant to the distribution support agreement. Upon expiration of the distribution support agreement, we may not have sufficient cash available to pay distributions at the rate we had paid during preceding periods or at all.

We define MFFO in accordance with the definition established by the IPA. Our computation of MFFO may not be comparable to other REITs that do not calculate MFFO using the current IPA definition. MFFO is calculated using FFO. We expect to compute FFO in accordance with the standards established by NAREIT, as net income or loss (computed in accordance with U.S. GAAP), excluding gains or losses from sales of depreciable properties, the cumulative effect of changes in accounting principles, real estate-related depreciation and amortization, impairment charges on depreciable property owned directly or indirectly and after adjustments for unconsolidated/uncombined partnerships and joint ventures. FFO, as defined by NAREIT, is a computation made by analysts and investors to measure a real estate company's cash flow generated by operations. Our computation of FFO may not be comparable to other REITs that do not calculate FFO in accordance with the current NAREIT definition. MFFO excludes from FFO the following items:

- acquisition fees and expenses;
- straight-line rent and amortization of above or below intangible lease assets and liabilities;
- amortization of discounts, premiums and fees on debt investments;
- non-recurring impairment of real estate-related investments;
- realized gains (losses) from the early extinguishment of debt;
- realized gains (losses) on the extinguishment or sales of hedges, foreign exchange, securities and other derivative holdings except where the trading of such instruments is a fundamental attribute of our business;

- unrealized gains (losses) from fair value adjustments on real estate securities, including CMBS and other securities, interest rate swaps and other derivatives not deemed hedges and foreign exchange holdings;
- unrealized gains (losses) from the consolidation from, or deconsolidation to, equity accounting;
- adjustments related to contingent purchase price obligations; and
- adjustments for consolidated and unconsolidated partnerships and joint ventures calculated to reflect MFFO on the same basis as above.

FFO and MFFO should not be considered as an alternative to net income (determined in accordance with U.S. GAAP) as an indication of performance. In addition, FFO and MFFO do not represent cash generated from operating activities determined in accordance with U.S. GAAP and are not a measure of liquidity. FFO and MFFO should be considered in conjunction with reported net income and cash flows from operations computed in accordance with U.S. GAAP, as presented in the financial statements.

The following table presents a reconciliation of FFO to net income:

	<u>Nine months ended September 30, 2023</u>	<u>Year ended December 31, 2022</u>
Net income (loss) . . . . .	\$ (9,922,633)	\$(11,408,268)
Net income (loss) attributable to non-controlling interest . . . . .	3,553,591	\$ 6,396,047
Net income (loss) attributable to common stockholders . . . . .	\$ (6,369,042)	\$ (5,012,221)
Adjustments:		
Real estate depreciation and amortization . . . . .	26,073,497	\$ 32,970,085
Proportionate share of adjustments from non-controlling interests . . . . .	<u>(14,268,055)</u>	<u>(17,022,258)</u>
Funds from Operations . . . . .	<u>\$ 5,436,400</u>	<u>\$ 10,928,606</u>

The following table presents a reconciliation of FFO to MFFO:

	<u>Nine months ended September 30, 2023</u>	<u>Year ended December 31, 2022</u>
Funds from Operations . . . . .	\$ 5,436,400	\$10,928,606
Adjustments:		
Amortization of above-market lease intangibles . . . . .	147,284	196,378
Amortization of below-market lease intangibles . . . . .	(1,467,008)	(1,685,860)
Straight-line rent . . . . .	(1,818,235)	(2,680,308)
Fair value adjustments on derivatives not deemed hedges . . . . .	667,574	(1,191,171)
Proportionate share of adjustments from non-controlling interests . . . . .	<u>497,760</u>	<u>546,332</u>
Modified Funds from Operations . . . . .	<u>\$ 3,504,562</u>	<u>\$ 6,113,977</u>

We have not established a minimum distribution level, and our charter does not require that we make distributions to our stockholders.

### Inspection of Books and Records

As a part of our books and records, we will maintain at our principal office an alphabetical list of the names of our common stockholders, along with their addresses and telephone numbers and the number of shares of

common stock held by each of them. We will update this stockholder list at least quarterly and it will be available for inspection at our principal office by a common stockholder or his or her designated agent upon request of the stockholder. We will also mail this list to any common stockholder within 10 days of receipt of his or her request. A copy of the stockholder list will be printed in alphabetical order, on white paper, and in a readily readable type size (in no event smaller than 10-point type). We may impose a reasonable charge for expenses incurred in reproducing such list. Stockholders, however, may not sell or use this list for commercial purposes. The purposes for which stockholders may request this list include matters relating to their voting rights and the exercise of their rights under federal proxy laws.

If our advisor or our board of directors neglects or refuses to exhibit, produce or mail a copy of the stockholder list as requested, our advisor and/ or board, as the case may be, shall be liable to the common stockholder requesting the list for the costs, including attorneys' fees, incurred by that stockholder for compelling the production of the stockholder list and any actual damages suffered by any common stockholder for the neglect or refusal to produce the list. It shall be a defense that the actual purpose and reason for the requests for inspection or for a copy of the stockholder list is not for a proper purpose but is instead for the purpose of securing such list of stockholders or other information for the purpose of selling such list or copies thereof, or of using the same for a commercial purpose other than in the interest of the applicant as a stockholder relative to the affairs of our company. We may require that the stockholder requesting the stockholder list represent that the request is not for a commercial purpose unrelated to the stockholder's interest in our company. The remedies provided by our charter to stockholders requesting copies of the stockholder list are in addition to, and do not in any way limit, other remedies available to stockholders under federal law, or the law of any state.

In addition, pursuant to our charter, any stockholder and any designated representative thereof shall be permitted access to our corporate records to which such stockholder is entitled under applicable law at all reasonable times, and may inspect and copy any of them for a reasonable charge. Under Maryland law, stockholders are entitled to inspect and copy only our bylaws, minutes of stockholder proceedings, annual statements of affairs, voting trust agreements and statements of stock and securities issued by us during the period specified by the requesting stockholder, which period may not be longer than 12 months prior to the date of the stockholder's request. Requests to inspect and/or copy our corporate records must be made in writing to our address. It is the policy of our board of directors to comply with all proper requests for access to our corporate records in conformity with our charter and Maryland law.

### **Business Combinations**

Under the Maryland General Corporation Law, business combinations between a Maryland corporation and an interested stockholder or the interested stockholder's affiliate are prohibited for five years after the most recent date on which the stockholder becomes an interested stockholder. For this purpose, the term "business combination" includes mergers, consolidations, share exchanges, asset transfers and issuances or reclassifications of equity securities. An "interested stockholder" is defined for this purpose as: (i) any person who beneficially owns, directly or indirectly, 10% or more of the voting power of the corporation's outstanding voting stock; or (ii) an affiliate or associate of the corporation who, at any time within the two-year period prior to the date in question, was the beneficial owner, directly or indirectly, of 10% or more of the voting power of the then outstanding stock of the corporation. A person is not an interested stockholder under the statute if the board of directors approved in advance the transaction by which he otherwise would have become an interested stockholder. However, in approving a transaction, the board of directors may provide that its approval is subject to compliance, at or after the time of approval, with any terms and conditions determined by the board.

After the five-year prohibition, any business combination between the corporation and an interested stockholder generally must be recommended by the board of directors of the corporation and approved by the affirmative vote of at least: (i) 80% of the votes entitled to be cast by holders of outstanding voting stock of the corporation; and (ii) two-thirds of the votes entitled to be cast by holders of voting stock of the corporation other than shares held by the interested stockholder or its affiliate with whom the business combination is to be effected, or held by an affiliate or associate of the interested stockholder.

These super-majority vote requirements do not apply if the corporation's common stockholders receive a minimum price, as defined under the Maryland General Corporation Law, for their shares in the form of cash or other consideration in the same form as previously paid by the interested stockholder for its shares.

None of these provisions of the Maryland General Corporation Law will apply, however, to business combinations that are approved or exempted by the board of directors of the corporation prior to the time that the interested stockholder becomes an interested stockholder. We have opted out of these provisions by resolution of our board of directors provided that the business combination is first approved by our board of directors. However, our board of directors may, by resolution, opt in to the business combination statute in the future.

### **Control Share Acquisitions**

The Maryland General Corporation Law provides that control shares of a Maryland corporation acquired in a control share acquisition have no voting rights except to the extent approved by a vote of stockholders entitled to cast two-thirds of the votes entitled to be cast on the matter. Shares owned by the acquirer, an officer of the corporation or an employee of the corporation who is also a director of the corporation are excluded from the vote on whether to accord voting rights to the control shares. "Control shares" are voting shares that, if aggregated with all other shares owned by the acquirer or with respect to which the acquirer has the right to vote or to direct the voting of, other than solely by virtue of revocable proxy, would entitle the acquirer to exercise voting power in electing directors within one of the following ranges of voting power:

- one-tenth or more but less than one-third;
- one-third or more but less than a majority; or
- a majority or more of all voting power.

Control shares do not include shares the acquiring person is then entitled to vote as a result of having previously obtained stockholder approval. Except as otherwise specified in the statute, a "control share acquisition" means the acquisition of issued and outstanding control shares.

Once a person who has made or proposes to make a control share acquisition has undertaken to pay expenses and has satisfied other required conditions, the person may compel the board of directors to call a special meeting of stockholders to be held within 50 days of the demand to consider the voting rights of the shares. If no request for a meeting is made, the corporation may itself present the question at any stockholders meeting.

If voting rights are not approved for the control shares at the meeting or if the acquiring person does not deliver an "acquiring person statement" for the control shares as required by the statute, the corporation may redeem any or all of the control shares for their fair value, except for control shares for which voting rights have previously been approved. Fair value is to be determined for this purpose without regard to the absence of voting rights for the control shares, and is to be determined as of the date of any meeting of stockholders at which the voting rights for control shares are considered and not approved or, if no such meeting is held, as of the date of the last control share acquisition.

If voting rights for control shares are approved at a stockholders meeting and the acquirer becomes entitled to vote a majority of the shares entitled to vote, all other stockholders may exercise appraisal rights. The fair value of the shares as determined for purposes of these appraisal rights may not be less than the highest price per share paid in the control share acquisition. Some of the limitations and restrictions otherwise applicable to the exercise of dissenters' rights do not apply in the context of a control share acquisition.

The control share acquisition statute does not apply to shares acquired in a merger, consolidation or share exchange if the corporation is a party to the transaction or to acquisitions approved or exempted by the charter or bylaws of the corporation.

Our bylaws contain a provision exempting from the control share acquisition statute any and all acquisitions by any person of our stock. There can be no assurance that this provision will not be amended or eliminated at any time in the future.

### **Subtitle 8**

Subtitle 8 of Title 3 of the Maryland General Corporation Law permits a Maryland corporation with a class of equity securities registered under the Securities Exchange Act of 1934, as amended, and at least three independent directors to elect to be subject, by provision in its charter or bylaws or a resolution of its board of directors and notwithstanding any contrary provision in the charter or bylaws, to any or all of five provisions:

- a classified board,
- a two-thirds vote requirement for removing a director,
- a requirement that the number of directors be fixed only by vote of the directors,
- a requirement that a vacancy on the board be filled only by the remaining directors and for the remainder of the full term of the directorship in which the vacancy occurred, and
- a majority requirement for the calling of a stockholder-requested special meeting of stockholders.

In our charter, we have elected that vacancies on our board of directors be filled only by the remaining directors and for the remainder of the full term of the directorship in which the vacancy occurred. Through provisions in our charter and bylaws unrelated to Subtitle 8, we already vest in our board of directors the exclusive power to fix the number of directorships, provided that the number is not fewer than three.

### **Tender Offers**

Our charter provides that any tender offer made by a person, including any “mini-tender” offer, must comply with certain notice and disclosure requirements. These procedural requirements with respect to tender offers apply to any widespread solicitation for shares of our stock at firm prices for a limited time period.

In order for a person to conduct a tender offer to one of our stockholders, our charter requires that the person comply with Regulation 14D of the Securities Exchange Act of 1934, as amended, and give us notice of such tender offer at least 10 business days before initiating the tender offer. Pursuant to our charter, Regulation 14D would also require any person initiating a tender offer to provide:

- Specific disclosure to stockholders focusing on the terms of the offer and information about the bidder;
- The ability to allow stockholders to withdraw tendered shares while the offer remains open;
- The right to have tendered shares accepted on a pro rata basis throughout the term of the offer if the offer is for less than all of our shares; and
- That all stockholders of the subject class of shares be treated equally.

In addition to the foregoing, there are certain ramifications to persons who attempt to conduct a noncompliant tender offer. If any person initiates a tender offer without complying with the provisions set forth above, no stockholder may transfer any shares held by such stockholder to the noncomplying offeror without first offering the shares to us at the tender offer price offered in such tender offer. The noncomplying person shall also be responsible for all of our expenses in connection with that person’s noncompliance.

### **Distribution Reinvestment Plan**

We have adopted a distribution reinvestment plan pursuant to which, if you subscribe for shares pursuant to this offering, your distributions will be automatically reinvested in additional whole or fractional shares of common



stock, unless you are a resident of Alabama, Arkansas, California, Idaho, Kansas, Kentucky, Maine, Maryland, Massachusetts, Nebraska, New Jersey, North Carolina, Ohio, Oregon, Vermont or Washington, are a client of a participating broker dealer that does not permit automatic enrollment in our distribution reinvestment plan, or you elect not to become a participant by noting such election on your subscription agreement. If you are a resident of Alabama, Arkansas, California, Idaho, Kansas, Kentucky, Maine, Maryland, Massachusetts, Nebraska, New Jersey, North Carolina, Ohio, Oregon, Vermont or Washington, or a client of a participating broker dealer that does not permit automatic enrollment in the distribution reinvestment plan, you may choose to enroll as a participant in our distribution reinvestment plan by noting such election on your subscription agreement. If you participate in our distribution reinvestment plan, the cash distributions attributable to the class of shares that you own will be automatically invested in additional shares of the same class . The following discussion summarizes the principal terms of this plan. Appendix B to this prospectus contains the full text of our distribution reinvestment plan as is currently in effect.

### ***Eligibility***

All of our common stockholders are eligible to participate in our distribution reinvestment plan; however, we may elect to deny your participation in the distribution reinvestment plan if you reside in a jurisdiction or foreign country where, in our judgment, the burden or expense of compliance with applicable securities laws makes your participation impracticable or inadvisable.

At any time prior to the listing of our shares on a national stock exchange, you must cease participation in our distribution reinvestment plan if you no longer meet the suitability standards or cannot make the other investor representations set forth in the then-current prospectus or in the subscription agreement. Participants must agree to notify us promptly when they no longer meet these standards. See the “Suitability Standards” section of this prospectus (immediately following the cover page) and the form of subscription agreement attached hereto as Appendix A.

### ***Stock Purchases***

Shares will be purchased under the distribution reinvestment plan on the distribution payment dates. The purchase of fractional shares is a permissible and the likely result of the reinvestment of distributions under the distribution reinvestment plan.

The purchase price for shares purchased under our distribution reinvestment plan will equal the transaction price applicable to the class of shares being acquired at the time the distribution is payable. Shares acquired under the distribution reinvestment plan will entitle the participant to the same rights and be treated in the same manner as shares of that class purchased in this offering.

### ***Account Statements***

You or your designee will receive a confirmation of your purchases under the distribution reinvestment plan monthly. Your confirmation will disclose the following information:

- each distribution reinvested for your account during the period;
- the date of the reinvestment;
- the number and price of the shares purchased by you; and
- the total number of shares in your account.

In addition, within 90 days after the end of each calendar year, we will provide you with an individualized report on your investment, including the purchase dates, purchase price, number of shares owned and the amount of distributions made in the prior year. We will also provide to all participants in the plan, without charge, all supplements to and updated versions of this prospectus, as required under applicable securities laws.

### ***Fees and Commissions and Use of Proceeds***

Stockholders will not pay upfront selling commissions when purchasing shares pursuant to the distribution reinvestment plan. The distribution fees with respect to our Class T shares, Class S shares and Class D shares are calculated based on our NAV for those shares and may reduce the NAV or, alternatively, the distributions payable with respect to shares of each such class, including shares issued in respect of distributions on such shares under the distribution reinvestment plan.

We expect to use the net proceeds from the sale of shares under our distribution reinvestment plan for general corporate purposes, including, but not limited to, the following:

- the repurchase of shares under our share repurchase program;
- reserves required by any financings of our investments;
- acquisition or origination of assets;
- future funding obligations under any real estate loan receivable we acquire;
- the repayment of debt; and
- expenses relating to our investments, including acquisition of properties, making capital and tenant improvements or paying leasing costs and commissions related to real property, purchasing a loan senior to ours to protect our junior position in the event of a default by the borrower on the senior loan, or making protective advances to preserve collateral securing a loan.

We cannot predict with any certainty how much, if any, distribution reinvestment plan proceeds will be available for specific purposes.

### ***Voting***

You may vote all shares, including fractional shares, that you acquire through the distribution reinvestment plan.

### ***Tax Consequences of Participation***

If you participate in the distribution reinvestment plan and are subject to federal income taxation, you will incur a tax liability for distributions allocated to you even though you have elected not to receive the distributions in cash but rather to have the distributions withheld and reinvested pursuant to the distribution reinvestment plan. Specifically, you will be treated as if you have received the distribution from us in cash and then applied such distribution to the purchase of additional shares. In addition, the difference between the public offering price of our shares and the amount paid for shares purchased pursuant to our distribution reinvestment plan may be deemed to be taxable as income to participants in the plan. See “Federal Income Tax Considerations—Taxation of Stockholders.”

### ***Termination of Participation***

Once enrolled, you may continue to purchase shares under our distribution reinvestment plan until we have sold all of the shares registered in this offering, have terminated this offering or have terminated the distribution reinvestment plan. You may terminate your participation in the distribution reinvestment plan at any time by providing us with 10 days’ written notice. Any transfer of your shares will effect a termination of the participation of those shares in the distribution reinvestment plan. We will terminate your participation in the distribution reinvestment plan to the extent that a reinvestment of your distributions would cause you to violate the ownership limit contained in our charter, unless you have obtained an exemption from the ownership limit from our board of directors. A withdrawal from participation in the distribution reinvestment plan will be effective only with respect to distributions paid more than 30 days after receipt of written notice.

### ***Amendment, Suspension or Termination of Plan***

We may amend, suspend or terminate the distribution reinvestment plan for any reason at any time upon 10 business days' notice to the participants. We may provide notice by including such information (a) in a Current Report on Form 8-K or in our annual or quarterly reports, all publicly filed with the SEC or (b) in a separate mailing to the participants.

As of September 30, 2023 and December 31, 2022, distributions reinvested pursuant to our distribution reinvestment plan were \$21,153,691 and \$16,036,600, respectively.

### **Share Repurchase Program**

Our shares are currently not listed on a national securities exchange, and we do not know whether they will ever be listed. In order to provide our stockholders with some liquidity, we offer a share repurchase program. As described below, we cannot guarantee that our share repurchase program will be available indefinitely. Stockholders who have purchased shares from us or received their shares through a non-cash transaction, not in the secondary market, may receive the benefit of limited liquidity by presenting for repurchase to us all or a portion of those shares, in accordance with the procedures outlined herein and subject to the limitations and restrictions of the programs described below. There is no fee payable to our advisor, our sponsor, our board of directors or any other party in connection with the repurchase of shares pursuant to our share repurchase program.

Subject to the limitations of and restrictions on the program, and subject to funds being available as described below, shares repurchased under the share repurchase program will be repurchased at the transaction price, which will generally be equal to the NAV per share applicable to the class of shares being repurchased and most recently disclosed by us in a public filing with the SEC. Under our share repurchase program we may repurchase during any calendar month shares of common stock (including IPO shares) whose aggregate value (based on the repurchase price per share in effect when the repurchase is effected) is 2% of our aggregate NAV as of the last calendar day of the previous month and during any calendar quarter whose aggregate value (based on the repurchase price per share in effect when the repurchase is effected) is up to 5% of our aggregate NAV as of the last calendar day of the prior calendar quarter. During a given quarter, if in each of the first two months of such quarter the 2% repurchase limit is reached and stockholders' repurchases are reduced pro rata for such months, then in the third and final month of that quarter, the applicable limit for such month will likely be less than 2% of our aggregate NAV as of the last calendar day of the previous month because the repurchases for that month, combined with the repurchases in the previous two months, cannot exceed 5% of our aggregate NAV as of the last calendar day of the prior calendar quarter.

Unless our board of directors determines otherwise, we intend to fund repurchases pursuant to our share repurchase program from any available cash sources at our disposal, including available cash, cash flow from operations, the sale of real estate-related securities and other assets, borrowings or offering proceeds, without any limitation on the amounts we may pay from such sources. Our board of directors has complete discretion to determine whether all of such funds will be applied to repurchases pursuant to the program, whether such funds are needed for other purposes or whether additional funds from other sources may be used for repurchases pursuant to the program.

If you would like to request repurchase of your shares, please contact us at 855-9-CANTOR to receive required repurchase forms and instructions concerning required signatures. Certain broker dealers require that their clients make repurchase requests through their broker dealer, so please contact your broker dealer first if you want to request repurchase of your shares. Stockholders may request that we redeem all or any portion of their shares as of the close of business of the last calendar day of each full calendar month (the "Repurchase Date") at the most recently announced NAV per share for the class of shares being repurchased. To have their shares repurchased, stockholders' repurchase requests and required documentation must be received by us in "good order" by 4:00 p.m. Eastern time on the second to last business day of the applicable month. If a repurchase request is

received after such time, the repurchase order will be executed on the next month's Repurchase Date at the NAV applicable to that month (subject to the 5% holding discount), unless such request is withdrawn prior to that Repurchase Date. Stockholders will generally have at least 20 business days (from the last business day of the previous month to the second to last business day of the applicable month) during which to decide whether to request the repurchase of their shares as of the end of the current month. Repurchase requests received and processed by our transfer agent on a business day, but after the close of business on that day or on a day that is not a business day, will be deemed received on the next business day.

Stockholders may withdraw their repurchase requests before they have been processed by notifying a customer service representative available on our toll-free information line at 855-9-CANTOR before 4:00 p.m. Eastern time on the second to last business day of the applicable month. Settlements of share repurchases will be made within three business days after the Repurchase Date.

The repurchase price for each month will, under normal circumstances, be equal to the NAV per share then in effect as of that Repurchase Date. As indicated above in "—Valuation Policy and Procedures," any new NAV per share will be disclosed within 15 calendar days following the date it is determined and commencing as of the end of the first full calendar month following the commencement of this offering, NAV calculations will be made monthly. The NAV per share will be posted on the Company's website ([www.cfincometrust.com](http://www.cfincometrust.com)) promptly after it has become available and will also be available through our toll-free information line at 855-9-CANTOR. Under normal circumstances, we expect to fulfill repurchase requests, subject to the 2% monthly and 5% quarterly limitations. In certain circumstances stockholders may make a repurchase request for a particular Repurchase Date before the transaction price is made available; however, the transaction price will be made available for a period of at least ten business days ending on or before the second to last business day of each month and, as result, all stockholders will have at least a ten business day period to consider the transaction price before the deadline to submit or withdraw a repurchase request (the first day of the ten business day period is the day the transaction price is made available and the tenth business day of the period is the deadline to submit or withdraw a repurchase request (the second to last business day of the month)).

We may redeem fewer shares than have been requested to be repurchased in any particular month, or none at all, in our discretion, including due to the lack of readily available funds because of market conditions, the need to maintain liquidity for operations or because our board of directors has determined that investing in real property or other illiquid investments is a better use of our capital than redeeming our shares. In the event that we determine to redeem some but not all of the shares submitted for repurchase during any month for any of the foregoing reasons, shares submitted for repurchase during such month will be repurchased on a pro rata basis. The portion of any unsatisfied repurchase requests due to any of the limitations described above must be resubmitted after the start of the next month or quarter. Any determination to repurchase fewer shares than have been requested to be repurchased may be made immediately prior to the applicable Repurchase Date, and will be disclosed subsequently to prospective investors and stockholders in periodic prospectus supplements and/or reports filed by us, or more frequently as required by applicable securities laws.

There is no minimum holding period for your shares and you can request that we repurchase your shares at any time. However, shares that have not been outstanding for at least one year will be repurchased at 95% of the repurchase price that would otherwise apply to the class of shares being repurchased; provided, that, the period that a Class T share, Class S share and/or Class D share was held prior to being converted into a Class I share will count toward the total hold period for a Class I share. In addition, stockholders who have received shares of our common stock in exchange for their operating partnership units may include the period of time the stockholders held such operating partnership units for purposes of calculating the total hold period. The one-year holding period is measured as of the subscription closing date immediately following the prospective repurchase date. The 5% holding discount will be waived in connection with the repurchase of shares acquired pursuant to our distribution reinvestment plan and in connection with the repurchase of shares issued as stock dividends. In addition, upon request, we may waive the 5% holding discount in the case of death or qualifying disability of a stockholder.

In order for us to waive a 5% holding discount in cases of qualified disability: (i) the stockholder would have to receive a determination of disability based upon a physical or mental condition or impairment arising after the date the stockholder acquired the shares to be repurchased, and (ii) such determination of disability would have to be made by the governmental agency responsible for reviewing the disability retirement benefits that the stockholder could be eligible to receive (the “applicable governmental agency”). The “applicable governmental agencies” would be limited to the following: (i) if the stockholder paid Social Security taxes and, therefore, could be eligible to receive Social Security disability benefits, then the applicable governmental agency would be the Social Security Administration or the agency charged with responsibility for administering Social Security disability benefits at that time if other than the Social Security Administration; (ii) if the stockholder did not pay Social Security benefits and, therefore, could not be eligible to receive Social Security disability benefits, but the stockholder could be eligible to receive disability benefits under the Civil Service Retirement System (“CSRS”), then the applicable governmental agency would be the U.S. Office of Personnel Management or the agency charged with responsibility for administering CSRS benefits at that time if other than the Office of Personnel Management; or (iii) if the stockholder did not pay Social Security taxes and therefore could not be eligible to receive Social Security benefits but suffered a disability that resulted in the stockholder’s discharge from military service under conditions that were other than dishonorable and, therefore, could be eligible to receive military disability benefits, then the applicable governmental agency would be the Department of Veterans Affairs or the agency charged with the responsibility for administering military disability benefits at that time if other than the Department of Veterans Affairs.

Disability determinations by governmental agencies for purposes other than those listed above, including but not limited to worker’s compensation insurance, administration or enforcement of the Rehabilitation Act or Americans with Disabilities Act, or waiver of insurance premiums would not entitle a stockholder to the special repurchase terms described above. Repurchase requests following an award by the applicable governmental agency of disability benefits would have to be accompanied by: (i) the investor’s initial application for disability benefits and (ii) a Social Security Administration Notice of Award, a U.S. Office of Personnel Management determination of disability under CSRS, a Department of Veterans Affairs record of disability-related discharge or such other documentation issued by the applicable governmental agency that we would deem acceptable and would demonstrate an award of the disability benefits.

We understand that the following disabilities do not entitle a worker to Social Security disability benefits:

- disabilities occurring after the legal retirement age; and
- disabilities that do not render a worker incapable of performing substantial gainful activity.

Therefore, such disabilities would not qualify for the special repurchase terms, except in the limited circumstances when the investor would be awarded disability benefits by the other “applicable governmental agencies” described above.

In order for a determination of incompetence or incapacitation (a “determination of incompetence”) to entitle a stockholder to the special repurchase terms, a state or federal court located in the United States must declare, determine or find the stockholder to be (i) mentally incompetent to enter into a contract, to prepare a will or to make medical decisions or (ii) mentally incapacitated. In both cases such determination must be made by the court after the date the stockholder acquired the shares to be repurchased. A determination of incompetence or incapacitation by any other person or entity, or for any purpose other than those listed above, will not entitle a stockholder to the special repurchase terms. Repurchase requests following a “determination of incompetence” must be accompanied by the court order, determination or certificate declaring the stockholder incompetent or incapacitated.

If repurchase requests, in the business judgment of our board of directors, place an undue burden on our liquidity, adversely affect our operations or risk having an adverse impact on stockholders whose shares are not repurchased, then our board of directors may terminate, suspend or amend the share repurchase program at any

time without stockholder approval, if it deems such action to be in the best interest of our stockholders. In addition, our board of directors may determine to suspend the share repurchase program due to regulatory changes, changes in law or if our board of directors becomes aware of undisclosed material information that it believes should be publicly disclosed before shares are repurchased. Material modifications, including any reduction to the monthly or quarterly limitations on repurchases, and suspensions of the program will be promptly disclosed to stockholders in a prospectus supplement (or post-effective amendment if required by the Securities Act) or current report on Form 8-K filed with the SEC. Any material modifications will also be disclosed on our website. Further, our share repurchase program will be terminated in the event that our shares ever become listed on a national securities exchange or in the event a secondary market for our common stock develops.

Our share repurchase program only provides stockholders a limited ability for shares to be repurchased for cash until a secondary market develops for our shares, at which time the program would terminate. No such market presently exists, and we cannot assure you that any market for your shares will ever develop.

As of September 30, 2023, we have received eligible repurchase requests for a total of 304,834 shares in the amount of \$7,437,544 all of which have been repurchased. As of September 30, 2023, eligible repurchases have not exceeded 2% of the previous month's aggregate NAV nor 5% of the quarterly aggregate NAV.

In the month ended December 31, 2023, we received repurchase requests that exceeded the applicable limits under our share repurchase program. Accordingly, on December 31, 2023, we repurchased 169,988 shares of common stock pursuant to our share repurchase program for aggregate consideration of \$3.8 million, which represents 45% of repurchase requests.

#### **Registrar and Transfer Agent**

We have engaged DST Systems Inc., to serve as the registrar and transfer agent for our common stock.

#### **Restrictions on Roll-Up Transactions**

A Roll-up Transaction is a transaction involving the acquisition, merger, conversion or consolidation, directly or indirectly, of us and the issuance of securities of an entity that is created or would survive after the successful completion of a Roll-up Transaction, which we refer to as a Roll-up Entity. This term does not include:

- a transaction involving securities of our company that have been for at least 12 months listed on a national securities exchange; or
- a transaction involving only our conversion into a trust or association if, as a consequence of the transaction, there will be no significant adverse change in the voting rights of our common stockholders, the term of our existence, the compensation to our advisor or our investment objectives.

In connection with any proposed Roll-up Transaction, an appraisal of all our assets will be obtained from a competent independent appraiser. Our assets will be appraised on a consistent basis, and the appraisal will be based on an evaluation of all relevant information and will indicate the value of our assets as of a date immediately preceding the announcement of the proposed Roll-up Transaction. If the appraisal will be included in a prospectus used to offer the securities of a Roll-Up Entity, the appraisal will be filed with the SEC and, if applicable, the states in which registration of such securities is sought, as an exhibit to the registration statement for the offering. The appraisal will assume an orderly liquidation of assets over a 12-month period. The terms of the engagement of the independent appraiser will clearly state that the engagement is for our benefit and the benefit of our stockholders. A summary of the appraisal, indicating all material assumptions underlying the appraisal, will be included in a report to our stockholders in connection with any proposed Roll-up Transaction.

In connection with a proposed Roll-up Transaction, the person sponsoring the Roll-up Transaction must offer to our common stockholders who vote "no" on the proposal the choice of:

- (1) accepting the securities of the Roll-up Entity offered in the proposed Roll-up Transaction; or



- (2) one of the following:
- (A) remaining as common stockholders of us and preserving their interests in us on the same terms and conditions as existed previously; or
  - (B) receiving cash in an amount equal to the stockholders' pro rata share of the appraised value of our net assets.

We are prohibited from participating in any proposed Roll-up Transaction:

- that would result in our common stockholders having democracy rights in a Roll-up Entity that are less than those provided in our charter and bylaws with respect to the election and removal of directors and the other voting rights of our common stockholders, annual reports, annual and special meetings of common stockholders, the amendment of our charter and our dissolution;
- that includes provisions that would operate to materially impede or frustrate the accumulation of shares by any purchaser of the securities of the Roll-up Entity, except to the minimum extent necessary to preserve the tax status of the Roll-up Entity, or that would limit the ability of an investor to exercise the voting rights of its securities of the Roll-up Entity on the basis of the number of shares of common stock that such investor had held in us;
- in which investors' rights of access to the records of the Roll-up Entity would be less than those provided in our charter and described in the section of this prospectus entitled "Description of Shares—Meetings and Special Voting Requirements;" or
- in which any of the costs of the Roll-up Transaction would be borne by us if the Roll-up Transaction is rejected by our common stockholders.

## THE OPERATING PARTNERSHIP AGREEMENT

### General

Cantor Fitzgerald Income Trust Operating Partnership, LP which we refer to as the operating partnership, is a Delaware limited partnership. We expect to own substantially all of our assets and conduct our operations through the operating partnership. We are the sole general partner of the operating partnership and a limited partner of our operating partnership. As the sole general partner, we have the exclusive power to manage and conduct the business of the operating partnership.

As we accept subscriptions for shares in this offering, we will transfer substantially all of the net proceeds of the offering to our operating partnership as a capital contribution in exchange for units of limited partnership interest. The operating partnership will be deemed to have simultaneously paid the selling commissions and other costs associated with the offering.

As a result of this structure, we are considered an UPREIT, or an umbrella partnership real estate investment trust. An UPREIT is a structure that REITs often use to acquire real property from sellers on a tax-deferred basis because the sellers can generally accept partnership units and defer taxable gain otherwise required to be recognized by them upon the disposition of their properties. Such sellers may also desire to achieve diversity in their investment and other benefits afforded to stockholders in a REIT. For purposes of satisfying the asset and income tests for qualification as a REIT, the REIT's proportionate share of the assets and income of the operating partnership will be deemed to be assets and income of the REIT.

If we ever decide to acquire properties in exchange for units of limited partnership interest in the operating partnership, we expect to amend and restate the partnership agreement to provide substantially as set forth below.

### Capital Contributions

Our operating partnership has classes of common units that correspond to our classes of common stock: Class AX common units, Class TX common units, Class IX common units, Class T common units, Class S common units, Class D common units and Class I common units. Such common units will have economic terms that vary based upon the class of shares issued. In connection with any and all issuances of our Class AX shares, Class TX shares, Class IX shares of common stock, Class T shares, Class S shares and Class D shares and Class I shares, we will make capital contributions to the operating partnership of the proceeds therefrom in exchange for common units of the same class as the applicable shares with respect to which offering proceeds have been received, provided that if the proceeds actually received and contributed by us are less than the gross proceeds of such issuance as a result of any underwriter's discount, commissions, placement fees or other expenses paid or incurred in connection with such issuance, then we shall make a capital contribution of such net proceeds to the operating partnership but will receive additional common units with a value equal to the aggregate amount of the gross proceeds of such issuance. Upon any such capital contribution by us, our capital account will be increased by the actual amount of our capital contribution.

We are authorized to cause our operating partnership to issue additional common units for less than fair market value if we conclude in good faith that such issuance is in the best interests of us and our operating partnership. Our operating partnership may issue preferred partnership units to us if we issue shares of preferred stock and contribute the net proceeds from the issuance thereof to our operating partnership or in connection with acquisitions of property or otherwise, which could have priority over the common units with respect to distributions from our operating partnership, including the common units owned by us.

As sole general partner of our operating partnership, we have the ability to cause our operating partnership to issue additional limited partnership interests. These additional interests may be issued to institutional and other large investors that may prefer to make an investment directly in our operating partnership and may include

preferred limited partnership interests or other interests subject to different distribution and allocation arrangements, fees and redemption arrangements. If our operating partnership requires additional funds at any time in excess of capital contributions made by us, or from borrowings, we may: (i) cause the operating partnership to obtain such funds from outside borrowings; or (ii) elect for us or for any of our affiliates to provide such additional funds to the operating partnership through loans or otherwise.

Our advisor may elect to receive its asset management fee in cash, Class I shares or Class I units, and distributions on the special unit holder's performance participation allocation may be payable in cash or Class I units at the election of the special unit holder. See "Management Compensation—Asset Management Fee and Expense Reimbursement" and "—Special Units" below.

## **Operations**

The partnership agreement requires that our operating partnership be operated in a manner that will enable us to: (i) satisfy the requirements for being classified as a REIT for federal income tax purposes, unless we otherwise cease to qualify as a REIT; (ii) avoid any federal income or excise tax liability (other than any federal income tax liability associated with our retained capital gains); and (iii) ensure that our operating partnership will not be classified as a "publicly traded partnership" for purposes of Section 7704 of the Internal Revenue Code, which classification could result in our operating partnership being taxed as a corporation, rather than as a partnership.

## **Distributions and Allocations of Profits and Losses**

The partnership agreement generally provides that, except upon liquidation of our operating partnership, our operating partnership will distribute cash to the partners of our operating partnership in accordance with their relative partnership units, on a quarterly basis (or, at our election, more or less frequently), in amounts determined by us as general partner. Upon the operating partnership's liquidation, Class T units, Class S units and Class D units will automatically convert to Class I units, in each case in proportion to the NAV per unit of each class. Upon the liquidation of our operating partnership, after payment of all liabilities, establishment of reserves and after payment of any preferred return owed to holders of any limited partnership preferred units and payment of the portion distributable to the holder of the special limited partner interest, any remaining assets of our operating partnership will be distributed in accordance with each partner's positive capital account balance.

In addition, a portion of the items of income, gain, loss and deduction of the operating partnership for U.S. federal income tax purposes will be allocated to each limited partnership unit, regardless of whether any distributions are made by the operating partnership.

## **Special Units**

As long as our advisory agreement has not been terminated (including by means of non-renewal), the holder of the special units will be entitled to a performance participation interest in the operating partnership that entitles it to receive an allocation from our operating partnership equal to 12.5% of the Total Return, subject to a 5% Hurdle Amount and a High Water Mark, with a Catch-Up (each term as defined below). Such allocation will be made annually and accrue monthly.

Specifically, the holder of the special units will be allocated a performance participation in an amount equal to:

- First, if the Total Return for the applicable period exceeds the sum of (i) the Hurdle Amount for that period and (ii) the Loss Carryforward Amount (any such excess, Excess Profits), 100% of such Excess Profits until the total amount allocated to the holder of the special units equals 12.5% of the sum of (x) the Hurdle Amount for that period and (y) any amount allocated to the holder of the special units pursuant to this clause (this is commonly referred to as a Catch-Up); and
- Second, to the extent there are remaining Excess Profits, 12.5% of such remaining Excess Profits.

Total Return for any period since the end of the prior calendar year shall equal the sum of:

- (i) all distributions accrued or paid (without duplication) on the operating partnership units outstanding at the end of such period since the beginning of the then-current calendar year, plus
- (ii) the change in aggregate NAV of such units since the beginning of the year, before giving effect to (x) changes resulting solely from the proceeds of issuances of the operating partnership units, (y) any allocation/ accrual to the performance participation interest and (z) applicable distribution fee expenses (including any payments made to us for payment of such expenses).

For the avoidance of doubt, the calculation of Total Return will (i) include any appreciation or depreciation in the NAV of units issued during the then-current calendar year but (ii) exclude the proceeds from the initial issuance of such units. In addition, with respect to a year in which we complete a liquidity event, for purposes of determining the Total Return, any change in the aggregate NAV of the operating partnership units will be deemed to equal the difference between the aggregate NAV of the operating partnership units outstanding at the beginning of the year and the aggregate value of such units determined in connection with such liquidity event. With respect to the first year in which the Second Amended and Restated Advisory Agreement was in effect, for purposes of determining Total Return, any change in the aggregate NAV was deemed to equal the difference between the aggregate NAV of the operating partnership units as of July 31, 2020 and the aggregate NAV of such units at the end of such calendar year.

Hurdle Amount for any period during a calendar year means that amount that results in a 5% annualized internal rate of return on the NAV of the operating partnership units outstanding at the beginning of the then-current calendar year and all operating partnership units issued since the beginning of the then-current calendar year, taking into account the timing and amount of all distributions accrued or paid (without duplication) on all such units and all issuances of operating partnership units over the period. The ending NAV of the operating partnership units used in calculating the internal rate of return will be calculated before giving effect to any allocation/accrual to the performance participation interest and applicable distribution fee expenses, provided that the calculation of the Hurdle Amount for any period will exclude any operating partnership units repurchased during such period, which units will be subject to the performance participation allocation upon repurchase as described below. With respect to the first year in which the Second Amended and Restated Advisory Agreement was in effect, the beginning NAV of the operating partnership units used in calculating the internal rate of return was deemed to equal the aggregate NAV of the operating partnership units as of July 31, 2020.

Except as described in Loss Carryforward below, any amount by which Total Return falls below the Hurdle Amount will not be carried forward to subsequent periods.

Loss Carryforward Amount shall initially equal zero and shall cumulatively increase by the absolute value of any negative annual Total Return and decrease by any positive annual Total Return, provided that the Loss Carryforward Amount shall at no time be less than zero and provided further that the calculation of the Loss Carryforward Amount will exclude the Total Return related to any operating partnership units repurchased during such year, which units will be subject to the performance participation allocation upon repurchase as described below. The effect of the Loss Carryforward Amount is that the recoupment of past annual Total Return losses will offset the positive annual Total Return for purposes of the calculation of the performance participation allocation. This is referred to as a High Water Mark. The special unit holder will also be allocated a performance participation with respect to all operating partnership units that are repurchased at the end of any month (in connection with repurchases of our shares in our share repurchase program) in an amount calculated as described above with the relevant period being the portion of the year for which such unit was outstanding, and proceeds for any such unit repurchase will be reduced by the amount of any such performance participation.

Distributions on the performance participation interest may be payable in cash or Class I operating partnership units at the election of the holder of the special units. If the holder of the special units elects to receive such distributions in Class I operating partnership units, the special unit holder may request the operating partnership to

repurchase such Class I operating partnership units from the special unit holder at a later date. Any such repurchase requests will not be subject to the 5% holding discount under our share repurchase program but will be subject to the monthly and quarterly volume limitations of our share repurchase program. The operating partnership will repurchase any such operating partnership units for cash unless our board of directors determines that any such repurchase for cash would be prohibited by applicable law or our charter, in which case such operating partnership units will be repurchased for shares of our common stock with an equivalent aggregate NAV.

The NAV of the operating partnership calculated on the last trading day of a calendar year shall be the amount against which changes in NAV are measured during the subsequent calendar year.

The measurement of the foregoing net assets change is also subject to adjustment by our board of directors to account for any unit dividend, unit split, recapitalization or any other similar change in the operating partnership's capital structure or any distributions made after the commencement of this offering that the board of directors deems to be a return of capital (if such changes are not already reflected in the operating partnership's net assets).

The special unit holder will not be obligated to return any portion of performance participation allocation paid based on our subsequent performance.

Changes in our operating partnership's NAV per unit of each class will generally correspond to changes in our NAV per share of the corresponding class of our common stock, except that for purposes of calculating the performance participation allocation to be distributed to the special unit holder, the effect of any allocation to the performance participation interest or any distribution fees will be excluded. Distributions with respect to the performance participation interest are calculated from the operating partnership's Total Return over a calendar year. As a result, the special unit holder may be entitled to receive compensation under the performance participation allocation for a given year even if some of our stockholders who purchased shares during such year experienced a decline in NAV per share. Similarly, stockholders whose shares are repurchased during a given year may have their shares repurchased at a lower NAV per share as a result of an accrual for the estimated performance participation at such time, even if no performance participation allocation for such year is ultimately payable to the special unit holder at the end of such calendar year.

In the event our advisor agreement is terminated, the special unit holder will be allocated any accrued performance participation with respect to all operating partnership units as of the date of such termination.

Although our charter provides that Cantor Fitzgerald Income Trust OP Holdings, LLC, as the holder of the special units, may be entitled to a payment if it redeems its special units in certain circumstances, including termination of the Advisory Agreement, the Advisory Agreement provides that the special units will be entitled to the distributions provided for, and will be subject to redemption by the operating partnership, in accordance with the terms of the operating partnership agreement. Our operating partnership agreement was amended in connection with the follow-on offering to remove the ability of the special unit holder to redeem its shares. Further, pursuant to our Advisory Agreement, in the event of termination of the Advisory Agreement for cause, special units are redeemed for a one-time payment of \$1.00.

### **Rights, Obligations and Powers of the General Partner**

We are the sole general partner of the operating partnership. As sole general partner, we generally have complete and exclusive discretion to manage and control the operating partnership's business and to make all decisions affecting its assets. Under the partnership agreement, we have the authority to:

- acquire, purchase, own, manage and dispose of loans, securities, real property and any other assets;
- construct buildings and make other improvements on owned or leased properties;

- authorize, issue, sell, redeem or otherwise purchase any debt or other securities;
- borrow or loan money;
- originate loans;
- make or revoke any tax election;
- maintain insurance coverage in amounts and types as we determine is necessary;
- retain employees or other service providers;
- form or acquire interests in joint ventures; and
- merge, consolidate or combine the operating partnership with another entity.

Under the partnership agreement, the operating partnership pays all of the administrative and operating costs and expenses it incurs in acquiring or originating and operating and managing investments. The operating partnership would also pay all of our administrative costs and expenses and such expenses would be treated as expenses of the operating partnership. Such expenses would include:

- all expenses relating to our organization and continuity of existence;
- all expenses relating to the public offering and registration of our securities;
- all expenses associated with the preparation and filing of our periodic reports under federal, state or local laws or regulations;
- all expenses associated with our compliance with applicable laws, rules and regulations; and
- all of our other operating or administrative costs incurred in the ordinary course of business.

The only costs and expenses we could incur that the operating partnership would not reimburse would be costs and expenses relating to assets we may own outside of the operating partnership. We would pay the expenses relating to such assets directly.

### **Exchange Rights**

Our partnership agreement provides for exchange rights. The limited partners of the operating partnership have the right to cause the operating partnership to redeem their units of limited partnership interest for cash equal to the value of an equivalent number of our shares, or, at our option, we could purchase their units of limited partnership interest for cash or by issuing one share of our common stock for each unit redeemed. Limited partners, however, would not be able to exercise this exchange right if and to the extent that the delivery of our shares upon such exercise would:

- result in any person owning shares in excess of the ownership limit in our charter (unless exempted prospectively or retroactively by our board of directors);
- result in our shares being beneficially owned by fewer than 100 persons;
- result in our shares being “closely held” within the meaning of Section 856(h) of the Internal Revenue Code; or
- cause us to own 10% or more of the ownership interests in a tenant within the meaning of Section 856(d)(2)(B) of the Internal Revenue Code.

Furthermore, limited partners could exercise their exchange rights only after their units of limited partnership interest had been outstanding for one year. A limited partner could not deliver more than two exchange notices each calendar year and would not be able to exercise an exchange right for less than 1,000 units of limited partnership interest, unless such limited partner held less than 1,000 units. In that case, he would be required to exercise his exchange right for all of his units.



### **Change in General Partner**

We are generally not able to withdraw as the general partner of the operating partnership or transfer our general partnership interest in the operating partnership (unless we transferred our interest to a wholly owned subsidiary). The principal exception to this would be if we merged with another entity and (i) the holders of a majority of partnership units (including those we held) approved the transaction; (ii) the limited partners received or had the right to receive an amount of cash, securities or other property equal in value to the amount they would have received if they had exercised their exchange rights immediately before such transaction; (iii) we were the surviving entity and our stockholders did not receive cash, securities or other property in the transaction; or (iv) the successor entity contributed substantially all of its assets to the operating partnership in return for an interest in the operating partnership and agreed to assume all obligations of the general partner of the operating partnership. If we voluntarily sought protection under bankruptcy or state insolvency laws, or if we were involuntarily placed under such protection for more than 90 days, we would be deemed to be automatically removed as the general partner. Otherwise, the limited partners would not have the right to remove us as general partner.

### **Transferability of Interests**

With certain exceptions, the limited partners are not able to transfer their interests in the operating partnership, in whole or in part, without our written consent as the general partner.

### **LTIP Units**

As of the date of this prospectus, our operating partnership has not issued any LTIP units, which are limited partnership interests in our operating partnership more specifically defined in our operating partnership agreement, but we may cause our operating partnership to issue LTIP units to members of our board of directors and our management team in accordance with our long-term incentive plan. LTIP units may be issued subject to vesting, forfeiture and additional restrictions on transfer pursuant to the terms of a vesting agreement. In general, LTIP units are a class of partnership units in our operating partnership that allow the holder to receive the same quarterly per unit non-liquidating distributions as the common units. Initially, each LTIP unit will have a capital account balance of zero and, therefore, will not have full parity with common units with respect to liquidating distributions. However, our partnership agreement provides that “book gain,” or economic appreciation, in our assets realized by our operating partnership as a result of the actual sale of all or substantially all of our operating partnership’s assets or the revaluation of our operating partnership’s assets as provided by applicable Treasury Regulations, will be allocated first to the LTIP unit holders until the capital account per LTIP unit is equal to the average capital account per unit of the general partner’s common units in our operating partnership. Until and unless parity is reached, the value for a given number of vested LTIP units will be less than the fair value of an equal number of our operating partnership’s common units. This valuation is unrelated to our annual valuation provided to ERISA fiduciaries or any valuation required to be provided to our investors.

### **Amendment of Limited Partnership Agreement**

Amendments to the partnership agreement require the consent of the holders of a majority of the partnership units including the partnership units we and our affiliates held. Additionally, we, as general partner, are required to approve any amendment. Certain amendments have to be approved by a majority of the units held by third-party limited partners.

## PLAN OF DISTRIBUTION

We are offering up to \$1,250,000,000 in shares of our common stock pursuant to this prospectus on a “best efforts” basis through Cantor Fitzgerald & Co., our dealer manager, a registered broker-dealer affiliated with our sponsor. Because this is a “best efforts” offering, our dealer manager must only use its best efforts to sell the shares, which means that no underwriter, broker-dealer or other person will be obligated to purchase any shares. Our offering consists of up to \$1,000,000,000 in shares in our primary offering and up to \$250,000,000 in shares pursuant to our distribution reinvestment plan. We reserve the right to reallocate shares of common stock between our primary offering and our distribution reinvestment plan.

We are offering to the public four classes of shares of our common stock: Class T shares, Class S shares, Class D shares and Class I shares. We are offering to sell any combination of share classes with a dollar value up to the maximum offering amount. All investors must meet the suitability standards discussed in the section of this prospectus entitled “Suitability Standards.” The share classes have different upfront selling commissions and different ongoing distribution fees.

Class T and Class S shares are available through brokerage and transactional-based accounts. Class D shares are generally available for purchase in this offering only (1) through fee-based programs, also known as wrap accounts, that provide access to Class D shares, (2) through participating broker-dealers that have alternative fee arrangements with their clients to provide access to Class D shares, (3) through transaction/brokerage platforms at participating broker-dealers, (4) through certain registered investment advisers, (5) through bank trust departments or any other organization or person authorized to act in a fiduciary capacity for its clients or customers or (6) by other categories of investors that we name in an amendment or supplement to this prospectus. Class I shares are generally available for purchase in this offering only (1) through fee-based programs, also known as wrap accounts, that provide access to Class I shares, (2) by endowments, foundations, pension funds and other institutional investors, (3) through participating broker-dealers that have alternative fee arrangements with their clients to provide access to Class I shares, (4) through certain registered investment advisers, (5) by our executive officers and directors and their immediate family members, as well as officers and employees of our advisor, Cantor or other affiliates and their immediate family members, and, if approved by our board of directors, joint venture partners, consultants and other service providers or (6) by other categories of investors that we name in an amendment or supplement to this prospectus. In certain cases, where a holder of Class S, Class T or Class D shares exits a relationship with a participating broker-dealer for this offering and does not enter into a new relationship with a participating broker-dealer for this offering, such holder’s shares may be exchanged into an equivalent NAV amount of Class I shares. We may also offer Class I shares to certain feeder vehicles primarily created to hold our Class I shares, which in turn offer interests in themselves to investors; we expect to conduct such offerings pursuant to exceptions to registration under the Securities Act and not as a part of this offering. Such feeder vehicles may have additional costs and expenses, which would be disclosed in connection with the offering of their interests. The minimum initial investment for Class I shares is \$1,000,000, unless waived by our dealer manager. If you are eligible to purchase all four classes of shares, you should consider, among other things, the amount of your investment, the length of time you intend to hold the shares and the upfront selling commissions, dealer manager fees and distribution fees attributable to the Class T, Class S or Class D shares. Before making your investment decision, please consult with your investment adviser regarding your account type and the classes of common stock you may be eligible to purchase. Neither our dealer manager nor its affiliates will directly or indirectly compensate any person engaged as an investment advisor or bank trust department by a potential investor as an inducement for such investment advisor or bank trust department to advise favorably for an investment in us.

The number of shares we have registered pursuant to the registration statement of which this prospectus forms a part is the number that we reasonably expect to be offered and sold within two years from the initial effective date of the registration statement. Under applicable SEC rules, we may extend this offering one additional year if all of the shares we have registered are not yet sold within two years. With the filing of a registration statement for a subsequent offering, we may also be able to extend this offering beyond three years until the follow-on

registration statement is declared effective. Pursuant to this prospectus, we are offering to the public all of the shares that we have registered. Although we have registered a fixed dollar amount of our shares, we intend effectively to conduct a continuous offering of an unlimited number of shares of our common stock over an unlimited time period by filing a new registration statement prior to the end of the three-year period described in Rule 415. In certain states, the registration of our offering may continue for only one year following the initial clearance by applicable state authorities, after which we will renew the offering period for additional one-year periods (or longer, if permitted by the laws of each particular state).

We reserve the right to terminate this offering at any time and to extend our offering term to the extent permissible under applicable law. Further, our board of directors, in its sole discretion, may determine from time to time during this offering to reclassify shares of our common stock, as permitted by our charter, in order to offer shares of one or more additional classes of common stock in this offering. Any additional class of common stock may be offered at a different price and may be subject to different fees and expenses than the shares currently being offered.

### **Purchase Price**

Shares will generally be sold at the prior month's NAV per share of the class of share being purchased, plus applicable upfront selling commissions and dealer manager fees. Although the price you pay for shares of our common stock will generally be based on the prior month's NAV per share, the NAV per share of such stock as of the date on which your purchase is settled may be significantly different. We may offer shares at a price that we believe reflects the NAV per share of such stock more appropriately than the prior month's NAV per share (including by updating a previously disclosed offering price) or suspend our offering and/or our share repurchase plan in cases where we believe there has been a material change (positive or negative) to our NAV per share since the end of the prior month. Each class of shares may have a different NAV per share because distribution fees differ with respect to each class. See "Net Asset Value Calculation and Valuation Procedures" for more information about the calculation of NAV per share.

If you participate in our distribution reinvestment plan, the cash distributions attributable to the class of shares that you purchase in our primary offering will be automatically invested in additional shares of the same class. The per share purchase price for shares purchased pursuant to the distribution reinvestment plan will be equal to the transaction price at the time the distribution is payable, which will generally be equal to our prior month's NAV per share for that share class.

### **Underwriting Compensation**

We entered into a dealer manager agreement with our dealer manager, pursuant to which the dealer manager agreed to, among other things, manage our relationships with third-party broker-dealers engaged by the dealer manager to participate in the distribution of shares of our common stock, which we refer to as "participating broker-dealers," and financial advisors. Our dealer manager also coordinates our marketing and distribution efforts with participating broker-dealers and their registered representatives with respect to communications related to the terms of the offering, our investment strategies, material aspects of our operations and subscription procedures. We will not pay referral or similar fees to any accountants, attorneys or other persons in connection with the distribution of our shares.

### **Summary**

The following table shows the upfront selling commissions and dealer manager fees payable at the time you subscribe for shares for Class T, Class S, Class D or Class I shares.

	Maximum Upfront Selling Commissions as a % of Transaction Price	Maximum Upfront Dealer Manager Fees as a % of Transaction Price
Class T shares(1) . . . . .	up to 3.0%	0.5%
Class S shares . . . . .	up to 3.5%	None
Class D shares . . . . .	None	None
Class I shares . . . . .	None	None

(1) Such amounts may vary at certain participating broker-dealers, provided that the sum will not exceed 3.5% of the transaction price

The following table shows the distribution fees we pay our dealer manager with respect to the Class T, Class S, Class D and Class I on an annualized basis as a percentage of our NAV for such class. The distribution fees will be paid monthly in arrears.

	Stockholder Servicing Fee as a % of NAV
Class T shares . . . . .	0.85% <sup>(1)</sup>
Class S shares . . . . .	0.85%
Class D shares . . . . .	0.25%
Class I shares . . . . .	None

(1) Consists of an advisor distribution fee and a dealer distribution fee.

#### ***Upfront Selling Commissions and Dealer Manager Fees***

*Class T and Class S Shares.* Subject to any discounts described below, our dealer manager is entitled to receive upfront selling commissions of up to 3.0%, and upfront dealer manager fees of 0.5%, of the transaction price of each Class T share sold in the primary offering, however such amounts may vary at certain participating broker-dealers provided that the sum will not exceed 3.5% of the transaction price. Subject to any discounts described below, our dealer manager is entitled to receive upfront selling commissions of up to 3.5% of the transaction price of each Class S share sold in the primary offering. Our dealer manager anticipates that all or a portion of the upfront selling commissions and dealer manager fees will be retained by, or reallocated (paid) to, participating broker-dealers.

Investors who purchase \$150,000 or more in Class T or Class S shares from the same broker-dealer, whether in a single purchase or as the result of multiple purchases, may be eligible, depending on the policies of their participating broker-dealer, for volume discounts on the upfront selling commissions. Our dealer manager and any participating broker-dealers that offer volume discounts to their clients and their registered representatives will be responsible for implementing the volume discounts. The net offering proceeds we receive will not be affected by any reduction of upfront selling commissions. Certain participating broker-dealers may elect not to offer volume discounts to their clients.

The following table illustrates the various discount levels that may be offered for Class T and Class S shares purchased in the primary offering:

Your Investment	Upfront Selling Commissions as a % of Transaction Price of Class S Share	Upfront Selling Commissions as a % of Transaction Price of Class T Share
Up to \$149,999.99 . . . . .	3.50%	3.00%
\$150,000 to \$499,999.99 . . . . .	3.00%	2.50%
\$500,000 to \$999,999.99 . . . . .	2.50%	2.00%
\$1,000,000 and up . . . . .	2.00%	1.50%

If you qualify for a volume discount as the result of multiple purchases of our Class T or Class S shares, you will receive the benefit of the applicable volume discount for the individual purchase which qualified you for the volume discount, but you will not be entitled to the benefit for prior purchases. Additionally, once you qualify for a volume discount, you will receive the benefit for subsequent purchases through the same participating broker-dealer. For this purpose, if you purchase Class T or Class S shares issued and sold in this offering you will receive the benefit of such Class T or Class S share purchases in connection with qualifying for volume discounts in our subsequent offerings through the same participating broker-dealer.

For purposes of qualifying for a volume discount as the result of multiple purchases of shares, only an individual or entity with the same social security number or taxpayer identification number, as applicable may combine their purchases as a “single purchaser”; provided that, certain participating broker-dealers may also combine purchases by an individual investor and his or her spouse living in the same household as a “single purchaser” for purposes of determining the applicable volume discount.

Requests to combine subscription orders of Class T or Class S shares as a part of a combined order for the purpose of qualifying for discounts or fee waivers must be made in writing by the broker-dealer, and any resulting reduction in upfront selling commissions will be prorated among the separate subscribers. As with discounts provided to other purchasers, the net proceeds we receive from the sale of shares will not be affected by discounts provided as a result of a combined order.

Your ability to receive a discount or fee waiver based on combining orders or otherwise may depend on the financial advisor or broker-dealer through which you purchase your Class T or Class S shares. An investor qualifying for a discount will receive a higher percentage return on his or her investment than investors who do not qualify for such discount. Accordingly, you should consult with your financial advisor about the ability to receive such discounts or fee waivers before purchasing Class T or Class S shares.

*Class D and Class I Shares.* No upfront selling commissions will be paid with respect Class I shares sold in this offering.

***Distribution Fees—Class T, Class S and Class D shares***

Subject to FINRA limitations on underwriting compensation and certain other limitations described below, we will pay our dealer manager selling commissions over time as a distribution fee (i) with respect to our outstanding Class T shares equal to 0.85% per annum of the aggregate NAV of our outstanding Class T shares, consisting of an advisor distribution fee of 0.65% per annum, and a dealer distribution fee of 0.20% per annum, of the aggregate NAV for the Class T shares, however, with respect to Class T shares sold through certain participating broker-dealers, the advisor distribution fee and the dealer distribution fee may be other amounts, provided that the sum of such fees will always equal 0.85% per annum of the NAV of such shares, (ii) with respect to our outstanding Class S shares equal to 0.85% per annum of the aggregate NAV of our outstanding Class S shares and (iii) with respect to our outstanding Class D shares equal to 0.25% per annum of the aggregate NAV of our outstanding Class D shares. We will not pay a distribution fee with respect to our outstanding Class I shares.

The distribution fees will be paid monthly in arrears. Our dealer manager will reallocate (pay) all or a portion of the distribution fees to participating broker-dealers and servicing broker-dealers for ongoing stockholder services performed by such broker-dealers. Because the distribution fees with respect to Class T shares, Class S shares and Class D shares are calculated based on the aggregate NAV for all of the outstanding shares of each such class, it reduces the NAV with respect to all shares of each such class, including shares issued under our distribution reinvestment plan.

We will cease paying the distribution fee with respect to any Class T share, Class S share or Class D share held in a stockholder’s account at the end of the month in which our dealer manager in conjunction with the transfer agent determines that total upfront selling commissions, dealer manager fees and distribution fees paid with

respect to the shares held by such stockholder within such account would exceed, in the aggregate, 8.75% (or, in the case of Class T shares sold through certain participating broker-dealers, a lower limit as set forth in the applicable agreement between the dealer manager and a participating broker-dealer at the time such Class T shares were issued) of the gross proceeds from the sale of such shares (including the gross proceeds of any shares issued under our distribution reinvestment plan with respect thereto). At the end of such month, such Class T share, Class S share or Class D share will convert into a number of Class I shares (including any fractional shares), each with an equivalent aggregate NAV as such share. Although we cannot predict the length of time over which the distribution fee will be paid due to potential changes in the NAV of our shares, this fee would be paid with respect to a Class T share (in the case of a limit of 8.75% of gross proceeds) or Class S share over approximately 6.18 years from the date of purchase and with respect to a Class D share over approximately 35 years from the date of purchase, assuming payment of the full upfront selling commissions and dealer manager fees, opting out of the distribution reinvestment plan and a constant NAV of \$25.00 per share. Under these assumptions, if a stockholder holds his or her shares for these time periods, this fee with respect to a Class T share or Class S share would total approximately \$1.31 and with respect to a Class D share would total approximately \$2.19.

### ***Other Compensation***

We or our advisor may also pay directly, or reimburse our dealer manager if the dealer manager pays on our behalf, any organization and offering expenses (other than upfront selling commissions and distribution fees).

### ***Limitations on Underwriting Compensation***

In addition to the conversion feature described above in “—Distribution Fees—Class T, Class S and Class D shares,” we will cease paying the distribution fee on the Class T shares, Class S shares and Class D shares on the earlier to occur of the following: (i) a listing of Class I shares, (ii) our merger or consolidation with and into another entity, or the sale or other disposition of all or substantially all of our assets or (iii) the date following the completion of the primary portion of this offering on which, in the aggregate, underwriting compensation from all sources in connection with this offering, including upfront selling commissions, the distribution fee and other underwriting compensation, is equal to 10% of the gross proceeds from our primary offering. The dealer manager will monitor the aggregate amount of underwriting compensation that we and the advisor pay in connection with this offering in order to ensure we comply with the underwriting compensation limits of applicable FINRA rules. FINRA rules and the NASAA REIT Guidelines also limit our total organization and offering expenses (including upfront selling commissions, bona fide due diligence expenses and other underwriting compensation) to 15% of our gross offering proceeds from this offering. After the termination of this offering, our advisor has agreed to reimburse us to the extent that organization and offering expenses that we incur exceed 15% of our gross proceeds from the offering.



In order to show the maximum amount of compensation that may be paid in connection with this offering, the following table assumes that (1) we sell all of the shares offered by this prospectus, (2) all shares sold in the offering are Class S shares, (3) no shares are reallocated between the primary offering and the distribution reinvestment plan, (4) all Class S shares are sold with the highest possible upfront selling commissions and (5) NAV per share remains \$25.00. The table does not give effect to any shares issued pursuant to our distribution reinvestment plan. The following table also assumes that we will cease paying distribution fees with respect to any Class S stockholder after the time the total upfront selling commissions and distribution fees paid with respect to the shares in such Class S stockholder's account reach 8.75% of the gross proceeds from the offering of such Class S shares in the aggregate (assuming such stockholder purchased all of his/her class S shares at the same time).

<b>Maximum Estimated Underwriting Fees and Expenses At Maximum Primary Offering of \$1,000,000,000</b>		
Upfront selling commissions . . . . .	\$35,000,000	3.50%
Distribution fees <sup>(1)</sup> . . . . .	52,500,000	5.25%
Reimbursement of wholesaling activities <sup>(2)</sup> . . . . .	<u>7,408,000</u>	<u>0.74%</u>
Total . . . . .	<u>\$94,908,000</u>	<u>9.49%</u>

- (1) We will pay our dealer manager a distribution fee with respect to our outstanding Class S shares equal to 0.85% per annum of the aggregate NAV of our outstanding Class S shares. The numbers presented reflect that distribution fees are paid over a number of years, and as a result, will cumulatively increase above 0.85% over time. Our dealer manager will reallocate (pay) all or a portion of the distribution fee to participating broker-dealers and servicing broker-dealers for ongoing stockholder services performed by such broker-dealers.
- (2) Wholesale expenses consist primarily of (a) actual costs incurred for fees to attend retail seminars sponsored by participating broker-dealers, (b) amounts used to reimburse participating broker-dealers for the actual costs incurred by registered representatives for travel, meals and lodging in connection with attending bona fide training and education meetings, (c) commissions and non-transaction based compensation paid to registered persons associated with the dealer manager in connection with the wholesaling of our offering and (d) expense reimbursements for actual costs incurred by employees of the dealer manager in the performance of wholesaling activities. We will reimburse the dealer manager or its affiliates for the expenses set forth in (a), (b) and (d) above, in each case, to the extent permissible under applicable FINRA rules. In addition, our dealer manager expects to pay for the expenses set forth in (c) above using the portion of the distribution fees that our dealer manager does not reallocate to participating broker-dealers, however, to the extent such expenses exceed the portion of the distribution fees that our dealer manager does not reallocate to participating broker-dealers, our advisor will reimburse our dealer manager for such expenses without reimbursement from us, in each case, to the extent permissible under applicable FINRA rules.

***Term of the Dealer Manager Agreement***

Either party may terminate the dealer manager agreement upon 60 days' written notice to the other party or immediately upon notice to the other party in the event such other party failed to comply with a material provision of the dealer manager agreement. Our obligations under the dealer manager agreement to pay the distribution fees with respect to the Class T, Class S and Class D shares distributed in this offering as described therein shall survive termination of the agreement until such shares are no longer outstanding (including such shares that have been converted into Class I shares, as described above in "—Distribution fees—Class T, Class S and Class D shares").

**Indemnification**

To the extent permitted by law and our charter, we will indemnify the participating broker-dealers and the dealer manager against some civil liabilities, including certain liabilities under the Securities Act, and liabilities arising from an untrue statement of material fact contained in, or omission to state a material fact in, this prospectus or the registration statement of which this prospectus is a part, blue sky applications or approved sales literature.

## INCORPORATION BY REFERENCE

The SEC's rules allow us to incorporate by reference certain information into the prospectus. The documents listed below are incorporated by reference into the prospectus, except for any document or portion thereof deemed to be "furnished" and not filed in accordance with SEC rules:

- Our Annual Report on Form 10-K for the fiscal year ended December 31, 2022, filed March 30, 2023, as amended by Amendment No. 1 filed on July 12, 2023;
- Our Definitive Proxy Statement on Schedule 14-A filed on October 5, 2023;
- Our Quarterly Report on Form 10-Q for the quarter ended March 31, 2023, filed on May 12, 2023;
- Our Quarterly Report on Form 10-Q for the quarter ended June 30, 2023, filed on August 11, 2023;
- Our Quarterly Report on Form 10-Q for the quarter ended September 30, 2023, filed on November 14, 2023;
- Our Current Reports on Form 8-K filed on December 5, 2023;
- Our Current Reports on Form 8-K filed on December 19, 2023; and
- Our Current Reports on Form 8-K filed on January 4, 2024.

The information contained in this prospectus should be read together with the information in the documents incorporated by reference.

## **SUPPLEMENTAL SALES MATERIAL**

In addition to this prospectus, we may utilize additional sales materials in connection with the offering of the shares, although only when accompanied by or preceded by the delivery of this prospectus. The supplemental sales material will not contain all of the information material to an investment decision and should only be reviewed after reading this prospectus. These supplemental sales materials may include information relating to our offering, brochures, articles and publications concerning real estate.

In certain jurisdictions, some or all of such sales material may not be available. 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.

We are offering shares only by means of this prospectus. Although the information contained in our supplemental sales materials will not conflict with any of the information contained in this prospectus, the supplemental materials do not purport to be complete and should not be considered a part of or as incorporated by reference in this prospectus or the registration statement of which this prospectus is a part.

## **LEGAL MATTERS**

The validity of the shares of our common stock being offered hereby has been passed upon for us by Venable LLP. Greenberg Traurig, LLP has reviewed the statements relating to certain federal income tax matters under the caption "Federal Income Tax Considerations" and has passed upon our qualification as a REIT for federal income tax purposes.

## **EXPERTS**

The consolidated financial statements of Cantor Fitzgerald Income Trust, Inc. appearing in Cantor Fitzgerald Income Trust, Inc.'s Annual Report (Form 10-K) for the year ended December 31, 2022 have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their report thereon, included therein, and incorporated herein by reference. Such consolidated financial statements are incorporated herein by reference in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

The statements included in this prospectus in the section titled "Net Asset Value Calculation and Valuation Procedures — Determination of our NAV per share as of December 31, 2023" relating to the role of our independent valuation firm, have been reviewed by Robert A. Stanger & Co., Inc., an independent valuation firm, and are included in our prospectus given the authority of such firm as experts in property valuations and appraisals.

## **WHERE YOU CAN FIND MORE INFORMATION**

We have filed a registration statement on Form S-11 with the SEC with respect to the shares of our common stock to be issued in this offering. This prospectus is a part of that registration statement and, as permitted by SEC rules, does not include all of the information you can find in the registration statement or the exhibits to the registration statement. For additional information relating to us, we refer you to the registration statement and the exhibits to the registration statement. Statements contained in this prospectus as to the contents of any contract or document are necessarily summaries of such contract or document and in each instance, if we have filed the contract or document as an exhibit to the registration statement, we refer you to the copy of the contract or document filed as an exhibit to the registration statement.

We will file annual, quarterly and current reports, proxy statements and other information with the SEC. We intend to furnish our stockholders with annual reports containing consolidated financial statements certified by an

independent public accounting firm. The registration statement is, and any of these future filings with the SEC will be, available to the public over the Internet at the SEC's web site at <http://www.sec.gov>. You may read and copy any filed document at the SEC's public reference room in Washington, D.C. at 100 F. Street, N.E., Room 1580, Washington, D.C. Please call the SEC at (800) SEC-0330 for further information about the public reference room.



# CANTOR FITZGERALD INCOME TRUST, INC.

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## SUBSCRIPTION AGREEMENT



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**SUBSCRIPTION AGREEMENT**  
**CANTOR FITZGERALD INCOME TRUST, INC.**



**1. YOUR INVESTMENT**

- |   |   |
|---|---|
| <input type="checkbox"/> <b>Initial Investment</b><br><ul style="list-style-type: none"> <li>• \$2,500 minimum investment (Class T, Class S and Class D Shares)</li> <li>• \$1,000,000 minimum investment (Class I Shares)</li> </ul> | <input type="checkbox"/> <b>Additional Investment</b><br><ul style="list-style-type: none"> <li>• \$500 minimum investment</li> </ul> |
|---|---|

**Amount of Subscription:** \$ \_\_\_\_\_ **State of Sale:** \_\_\_\_\_

*Money Orders, Traveler's Checks, Starter Checks, Foreign Checks, Counter Checks, Third-Party Checks or Cash CANNOT be accepted*

- |   |  |                     |                           |                 |                   |                       |                       |
|---|--|---------------------|---------------------------|-----------------|-------------------|-----------------------|-----------------------|
| <input type="checkbox"/> <b>By Wire Transfer</b><br><br>UMB Bank<br>Account Name: <b>Cantor Fitzgerald Income Trust, Inc.</b><br>Routing Number: <b>101000695</b><br>Account Number: <b>9872232992</b><br>For Further Credit to: <b>(Investor's Name)</b> | <input type="checkbox"/> <b>By Mail</b> (checks payable to: "Cantor Fitzgerald Income Trust, Inc.")<br><br><b>Cantor Fitzgerald Income Trust, Inc. c/o DST Systems, Inc.</b><br><br><table border="0"> <tr> <td><b>Regular Mail</b></td> <td><b>Overnight Delivery</b></td> </tr> <tr> <td>P.O. Box 219206</td> <td>430 W. 7th Street</td> </tr> <tr> <td>Kansas City, MO 64101</td> <td>Kansas City, MO 64105</td> </tr> </table> | <b>Regular Mail</b> | <b>Overnight Delivery</b> | P.O. Box 219206 | 430 W. 7th Street | Kansas City, MO 64101 | Kansas City, MO 64105 |
| <b>Regular Mail</b>   | <b>Overnight Delivery</b>  |                     |                           |                 |                   |                       |                       |
| P.O. Box 219206   | 430 W. 7th Street  |                     |                           |                 |                   |                       |                       |
| Kansas City, MO 64101   | Kansas City, MO 64105  |                     |                           |                 |                   |                       |                       |

**2. SHARE CLASS SELECTION**

**Required:** Please consult with your financial advisor and check the appropriate box to indicate the share class you intend to purchase.

- |  |  |  |  |
|--|--|--|--|
| <input type="checkbox"/> Share Class T | <input type="checkbox"/> Share Class S | <input type="checkbox"/> Share Class D | <input type="checkbox"/> Share Class I |
|  | <i>not available in Alabama</i>        |  |  |

**3. OWNERSHIP TYPE**

**A) Non-Qualified Registration**

- |   |   |   |
|---|---|---|
| <input type="checkbox"/> Individual (If applicable, attach TOD Form)                | <input type="checkbox"/> S-Corporation <sup>2</sup>       | <input type="checkbox"/> KEOGH Plan <sup>2</sup>  |
| <input type="checkbox"/> Joint Tenant <sup>1</sup> (If applicable, attach TOD Form) | <input type="checkbox"/> C-Corporation <sup>2</sup>       | <input type="checkbox"/> UGMA: State of _____     |
| <input type="checkbox"/> Tenants in Common <sup>1</sup>                             | <input type="checkbox"/> Partnership <sup>2</sup>         | <input type="checkbox"/> UTMA: State of _____     |
| <input type="checkbox"/> Community Property <sup>1</sup>                            | <input type="checkbox"/> Pension Plan <sup>2</sup>        | <input type="checkbox"/> Other <sup>2</sup> _____ |
| <input type="checkbox"/> Trust <sup>2,3</sup>                                       | <input type="checkbox"/> Profit Sharing Plan <sup>2</sup> |   |

If non-qualified account is custodial held, please check box and complete custodial information below

*(1) All parties must sign. (2) Please attach pages of trust/plan document (or corporate/entity resolution) which lists the name of trust/plan/entity, trustees/officers or authorized signatories, signatures and date. (3) The Certification of Investment Powers for Trust Accounts form may be completed in lieu of providing trust documents.*

**B) Qualified Registration**

- |   |                                  |   |
|---|----------------------------------|---|
| <input type="checkbox"/> Traditional (Individual) IRA | <input type="checkbox"/> SEP IRA | <input type="checkbox"/> Simple IRA                         |
| <input type="checkbox"/> ROTH IRA                     | <input type="checkbox"/> 401K    | <input type="checkbox"/> Beneficial IRA as Beneficiary for: |

\_\_\_\_\_  
 (Name of Deceased Owner)

**C) Custodian/Third Party Administrator Information**

Custodian/Administrator Name \_\_\_\_\_  
 Custodian/Administrator Address \_\_\_\_\_  
 Custodian/Administrator City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
 Custodian/Administrator Tax ID \_\_\_\_\_ Custodian/Administrator Phone \_\_\_\_\_  
 Investor's Account Number with Custodian/Administrator \_\_\_\_\_

**SUBSCRIPTION AGREEMENT**  
**CANTOR FITZGERALD INCOME TRUST, INC.**



**4. INVESTOR INFORMATION**

**Account Registration:**

Trust or Entity Name (If Applicable) \_\_\_\_\_

SSN/Tax ID \_\_\_\_\_ Date of Formation \_\_\_\_ / \_\_\_\_ / \_\_\_\_

**Required:**

Name of Investor/Trustee 1 \_\_\_\_\_

SSN/Tax ID \_\_\_\_\_ Date of Birth \_\_\_\_ / \_\_\_\_ / \_\_\_\_

Name of Investor/Trustee 2 \_\_\_\_\_

SSN/Tax ID \_\_\_\_\_ Date of Birth \_\_\_\_ / \_\_\_\_ / \_\_\_\_

Physical Address (No P.O. Boxes) \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Phone Number \_\_\_\_\_ Email Address\* \_\_\_\_\_

Mailing Address (If different from physical address) \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

U.S. Citizen\*\*       U.S. Citizen residing outside the U.S.\*\*       Foreign Citizen Country\*\*\* \_\_\_\_\_

Check here if you are subject to backup withholding. (Please attach a copy of the withholding notice.)

\* Providing an email address above does not opt you into electronic delivery of documents as described in section 5. The email address provided above will be used for communications from the Company such as annual reports, proxy statements and other investor communications. Your email address will not be provided to third parties that are not representatives or agents of the Company.

\*\* A U.S. Social Security number or Taxpayer Identification Number is required for all entities and authorized signers to open an account.

\*\* Nonresident Aliens must supply a completed and signed original IRS Form W-8BEN.

**5. ELECTRONIC DELIVERY**

Sign here if you would like to receive investor communications electronically. Electronic delivery of investor communications is optional.

I consent to electronic delivery using the email address listed in section 4.

By checking this box, Cantor Fitzgerald Income Trust, Inc. will make certain investor communications available on its website at [www.cfincometrust.com](http://www.cfincometrust.com) and notify you via e-mail when such documents are available. Investor communications that may be delivered electronically include account statements, tax forms, annual reports, proxy statements and other investor communications. By electing electronic delivery, you: (i) agree that you have provided a valid e-mail address in this Section; (ii) agree that you have the appropriate hardware and software that receive e-mail notifications and view PDF documents; and (iii) understand that electronic delivery also involves risks related to system or network outages that could impair your timely receipt of or access to your documents. Cantor Fitzgerald Income Trust, Inc. may choose to send one or more items to you in paper form despite your consent to electronic delivery. You may also request a paper copy of any particular investor document. Your consent will be effective until you revoke it by changing your delivery preference online at [www.cfincometrust.com](http://www.cfincometrust.com) and logging into the website using the "Investor Login" option, or by contacting Cantor Fitzgerald Income Trust, Inc. at (855) 9-CANTOR, option 2.

\_\_\_\_\_  
 Signature (Required)

\_\_\_\_\_  
 Date

**SUBSCRIPTION AGREEMENT**  
**CANTOR FITZGERALD INCOME TRUST, INC.**



**6. DISTRIBUTION INFORMATION (Choose ONLY one of the following options)**

Please read the following section carefully.

**YOU ARE AUTOMATICALLY ENROLLED IN THE DISTRIBUTION REINVESTMENT PLAN UNLESS YOU ARE A RESIDENT OF ALABAMA, ARKANSAS, CALIFORNIA, IDAHO, KANSAS, KENTUCKY, MAINE, MARYLAND, MASSACHUSETTS, NEBRASKA, NEW JERSEY, NORTH CAROLINA, OHIO, OREGON, VERMONT OR WASHINGTON.**

If you are not a resident of the states listed above, you are automatically enrolled in the Distribution Reinvestment Plan; please check here if you do not wish to be enrolled in the Distribution Reinvestment Plan and complete the Cash Distribution Information section below.

**IMPORTANT:** If you are not enrolled in the Distribution Reinvestment Plan, please complete the Cash Distribution Information section below.

**Cash Distribution Information**

For Custodial held accounts, if you are not enrolled in the Distribution Reinvestment Plan, the funds must be sent to the Custodian

- A.  **Cash/Check Mailed to the Address Set Forth Above** (Available for Non-Custodial Investors Only.)
- B.  **Cash/Check Mailed to Third Party/Custodian**

\_\_\_\_\_  
 Name/Entity Name/Financial Institution Mailing Address

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_ Account Number (Required) \_\_\_\_\_

C.  **Cash/Direct Deposit Attach a Pre-printed Voided Check** (Non-Custodial Investors Only.)

*I authorize Cantor Fitzgerald Income Trust, Inc. or its agent to deposit my distribution into my checking or savings account. This authority will remain in force until I notify Cantor Fitzgerald Income Trust, Inc. in writing to cancel it. In the event that Cantor Fitzgerald Income Trust, Inc. deposits funds erroneously into my account, they are authorized to debit my account for an amount not to exceed the amount of the erroneous deposit.*

\_\_\_\_\_  
 Financial Institution Name \_\_\_\_\_ Mailing Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_

\_\_\_\_\_  
 Your Bank's ABA Routing Number \_\_\_\_\_ Your Bank Account Number \_\_\_\_\_

**PLEASE ATTACH A PRE-PRINTED VOIDED CHECK**

If you are a resident of Alabama, Arkansas, California, Idaho, Kansas, Kentucky, Maine, Maryland, Massachusetts, Nebraska, New Jersey, North Carolina, Ohio, Oregon, Vermont or Washington, you are not automatically enrolled in the Distribution Reinvestment Plan; please check here if you wish to enroll in the Distribution Reinvestment Plan.

**7. ALTERNATE ADDRESS**

Duplicate Mailings

Name \_\_\_\_\_

Mailing Address (Can be a P.O. Box) \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Phone Number \_\_\_\_\_ Alternate Phone Number \_\_\_\_\_

Email \_\_\_\_\_ Fax \_\_\_\_\_

**SUBSCRIPTION AGREEMENT**  
**CANTOR FITZGERALD INCOME TRUST, INC.**



**8. SUBSCRIBER SIGNATURES**

Please separately initial each of the representations below, if applicable. Except in the case of fiduciary accounts, you may not grant any person a power of attorney to make such representations on your behalf. For the purposes of Section 8, net worth in all cases should be calculated excluding the value of an investor’s home, home furnishings and automobiles. Liquid net worth is defined as that portion of an investor’s net worth that consists of cash, cash equivalents and readily marketable investments. The obligations imposed on financial advisors pursuant to Regulation Best Interest may be interpreted as requiring a higher standard for the investors than the applicable suitability standards below. In order to induce Cantor Fitzgerald Income Trust, Inc. to accept this subscription, I hereby represent and warrant to you as follows:

	Owner Initials	Joint Owner Initials (if applicable)
a. I have received the final Prospectus of Cantor Fitzgerald Income Trust, Inc., as amended and supplemented as of the date hereof, at least five business days before signing this Subscription Agreement.	_____	_____
b. I have (i) a minimum net worth (exclusive of home, home furnishings and personal automobiles) of at least \$250,000 or (ii) a minimum net worth (as previously described) of at least \$70,000 and a minimum annual gross income of at least \$70,000, and, if applicable, I meet the higher net worth and gross income requirements imposed by my state of primary residence as set forth under “Suitability Standards” in the Prospectus. I will not purchase additional shares unless I meet the applicable suitability requirements set forth in the Prospectus at the time of purchase.	_____	_____
c. I acknowledge that this is a long term investment and there is no public market for the shares purchased. Thus, my investment in these shares is not liquid.	_____	_____
d. I am purchasing the shares for the account referenced in this Subscription Agreement.	_____	_____
e. I acknowledge I will not be admitted as a stockholder until my investment has been accepted. The acceptance process includes, but is not limited to: reviewing this Subscription Agreement for completeness and signatures, conducting an Anti-Money Laundering check as required by the USA Patriot Act and payment of the full purchase price of the shares.	_____	_____
f. I understand that the transaction price per share at which my investment will be executed will be made available at <a href="http://www.cfincometr.com">www.cfincometr.com</a> and in a prospectus supplement filed with the SEC, available at <a href="http://www.sec.gov">www.sec.gov</a> .	_____	_____
g. I understand that my subscription request will not be accepted before the later of (i) two business days before the first calendar day of the month and (ii) three business days after the transaction price is made available. I understand that I am not committed to purchase shares at the time my subscription order is submitted and I may cancel my subscription at any time before the time it has been accepted as described in the previous sentence. I understand that I may withdraw my purchase request by notifying the transfer agent, through my financial intermediary or directly on Cantor Fitzgerald Income Trust, Inc.’s toll-free, automated telephone line, 855-9-CANTOR	_____	_____
<b>IMPORTANT:</b> Please review and initial any state suitability applicable to you		
h. If I am an <b>Alabama</b> resident, I acknowledge that I have a liquid net worth of at least ten times my investment in Cantor Fitzgerald Income Trust, Inc. and its affiliates.	_____	_____
i. If I am a <b>California</b> resident, I acknowledge I have (i) either (a) a net worth of at least \$350,000 or (b) a gross annual income of at least \$70,000 and a net worth of \$150,000, and (ii) my total investment in Cantor Fitzgerald Income Trust, Inc.’s offering may not exceed 10% of my net worth.	_____	_____
j. If I am an <b>Idaho</b> resident, I acknowledge that I have either: (i) a liquid net worth of \$85,000 and annual income of \$85,000 or (ii) a liquid net worth of \$300,000. Additionally, I acknowledge that my total investment in Cantor Fitzgerald Income Trust, Inc. shall not exceed 10% of my liquid net worth. “Liquid net worth” is defined for purposes of this investment as that portion of net worth consisting of cash, cash equivalents and readily marketable securities.	_____	_____
k. If I am an <b>Iowa</b> resident, I acknowledge that I have (i) either (a) a minimum net worth of \$350,000 (exclusive of home, auto and furnishings) or (b) a minimum annual gross income of \$70,000 and a net worth of \$100,000 (exclusive of home, auto and furnishings), and (ii) my total investment in shares of Cantor Fitzgerald Income Trust, Inc. or any of its affiliates, and the shares of any other non-exchange-traded REIT, cannot exceed 10% of my liquid net worth. “Liquid net worth” for purposes of this investment shall consist of cash, cash equivalents and readily marketable securities. If I am an accredited investor within the meaning of the federal securities laws, I am not subject to the foregoing investment concentration limit.	_____	_____
l. If I am a <b>Kansas</b> investor, I acknowledge that It is recommended by the Office of the Kansas Securities Commissioner that Kansas investors limit their aggregate investment in our securities and other similar investments to not more than 10% of their liquid net worth. Liquid net worth shall be defined as that portion of the purchaser’s total net worth that is comprised of cash, cash equivalents, and readily marketable securities, as determined in conformity with GAAP.	_____	_____

**SUBSCRIPTION AGREEMENT**  
**CANTOR FITZGERALD INCOME TRUST, INC.**



**8. SUBSCRIBER SIGNATURES (continued)**

	Owner Initials	Joint Owner Initials (if applicable)
m. If I am a <b>Kentucky</b> resident, I acknowledge that my aggregate investment in Cantor Fitzgerald Income Trust, Inc. and its affiliates may not exceed 10% of my liquid net worth.	_____	_____
n. If I am a <b>Maine</b> resident, I acknowledge that it is recommended by the Maine Office of Securities that my aggregate investment in this offering and similar direct participation investments not exceed 10% of my liquid net worth. For this purpose, "liquid net worth" is defined as that portion of net worth that consists of cash, cash equivalents and readily marketable securities.	_____	_____
o. If I am a <b>Massachusetts</b> resident, I acknowledge that I have either, (a) a minimum liquid net worth of at least \$100,000 and a minimum annual gross income of not less than \$85,000, or (b) a minimum liquid net worth of at least \$350,000. For these purposes, "liquid net worth" is defined as that portion of net worth (total assets exclusive of home furnishings, and automobiles, minus total liability) that consists of cash, cash equivalent and readily marketable securities. In addition, Massachusetts investors may not invest more than 10% of their liquid net worth in this and other illiquid direct participation investments.	_____	_____
p. If I am a <b>Missouri</b> resident, I acknowledge that I have no more than ten percent (10%) of my liquid net worth shall be invested in the offering.	_____	_____
q. If I am a <b>Nebraska</b> resident, I acknowledge that I (i) have either (a) an annual gross income of at least \$100,000 and a net worth of at least \$100,000, or (b) a net worth of at least \$350,000; and (ii) will limit my investment in Cantor Fitzgerald Income Trust, Inc. and in the securities of other non-publicly traded REITs to 10% of my net worth (exclusive of home, home furnishings, and automobiles). If I am an accredited investor within the meaning of the federal securities laws, I am not subject to the foregoing investment concentration limit.	_____	_____
r. If I am a <b>Nevada</b> resident, I acknowledge that my aggregate investment in Cantor Fitzgerald Income Trust, Inc. must not exceed 10% of my net worth (exclusive of home, furnishings and automobiles).	_____	_____
s. If I am a <b>New Jersey</b> resident, I acknowledge that I have either, (a) a minimum liquid net worth of at least \$100,000 and a minimum annual gross income of not less than \$85,000, or (b) a minimum liquid net worth of at least \$350,000. For these purposes, "liquid net worth" is defined as that portion of net worth (total assets exclusive of home furnishings, and automobiles, minus total liability) that consists of cash, cash equivalent and readily marketable securities. In addition, my investment in Cantor Fitzgerald Income Trust, Inc., its affiliates, and other non-publicly traded direct investment programs (including real estate investment trusts, business development companies, oil and gas programs, equipment leasing programs and commodity pools, but excluding unregistered, federally and state exempt private offerings) may not exceed ten percent (10%) of my liquid net worth.  New Jersey investors are advised that the Class T shares will be subject to upfront selling commissions and dealer manager fees of up to 3.5% on NAV, and the Class S shares will be subject to upfront selling commissions of up to 3.5% on NAV. The Class T and S shares are subject to ongoing distribution fees equal to up to 0.85% per annum of the aggregate NAV of the respective outstanding Class T or S shares, respectively, and with respect to the D shares, an amount equal to up to 0.25% per annum of the aggregate NAV of the outstanding Class D shares. These upfront commissions and fees will cause the per share purchase price to be greater than the initial per share NAV that will be reflected on my account statement (by broker dealers reporting a valuation calculated in accordance with FINRA Rule 2231(c)(1)(B) relating to appraised value). These upfront commissions and fees will reduce the amount of the purchase price that is available for investment and other capital needs. The distribution fees will reduce the amount of distributions that are paid with respect to the Class T, S, and D shares.	_____	_____
t. If I am a <b>New Mexico</b> resident, I acknowledge that my aggregate investment in Cantor Fitzgerald Income Trust, Inc.'s offering, the offerings of its affiliates and the offerings of other non-traded REITs may not exceed 10% of my liquid net worth.	_____	_____
u. If I am a <b>North Dakota</b> resident, I acknowledge that I have a net worth of at least ten times my investment in Cantor Fitzgerald Income Trust, Inc.	_____	_____
v. If I am an <b>Ohio</b> resident, I acknowledge that my aggregate investment in shares of Cantor Fitzgerald Income Trust, Inc., Affiliates of Cantor Fitzgerald Income Trust, Inc., and in other non-traded real estate investment programs may not exceed ten percent (10%) of my liquid net worth. "Liquid net worth" shall be defined as that portion of net worth (total assets exclusive of primary residence, home furnishings, and automobiles minus total liabilities) that is comprised of cash, cash equivalents, and readily marketable securities.	_____	_____
w. If I am an <b>Oregon</b> resident, I acknowledge that my aggregate investment in Cantor Fitzgerald Income Trust, Inc. may not exceed 10% of my liquid net worth.	_____	_____
x. If I am a <b>Pennsylvania</b> resident, I acknowledge that my aggregate investment in Cantor Fitzgerald Income Trust, Inc.'s offering may not exceed 10% of my net worth.	_____	_____



**SUBSCRIPTION AGREEMENT**  
**CANTOR FITZGERALD INCOME TRUST, INC.**



**8. SUBSCRIBER SIGNATURES (continued)**

	Owner Initials	Joint Owner Initials (if applicable)
y. If I am a <b>Puerto Rico</b> resident, I acknowledge that my investment in Cantor Fitzgerald Income Trust, Inc., its affiliates and other non-traded real estate investment programs may not exceed 10% of my liquid net worth. For these purposes, "liquid net worth" is defined as that portion of net worth (total assets exclusive of primary residence, home furnishings, and automobiles minus total liabilities) that is comprised of cash, cash equivalents, and readily marketable securities.	_____	_____
z. If I am a <b>Tennessee</b> resident, I acknowledge that my investment must not exceed ten percent (10%) of my liquid net worth (excluding the value of an investor's home, furnishings and automobiles).	_____	_____
aa. If I am a <b>Vermont</b> resident, I acknowledge that if I am a non-accredited investor, I may not purchase an amount in this offering that exceeds 10% of my liquid net worth. For these purposes, "liquid net worth" is defined as an investors' total assets (not including home, home furnishings, or automobiles) minus total liabilities.	_____	_____

**SUBSTITUTE W-9:**

**TAXPAYER IDENTIFICATION NUMBER CONFIRMATION (REQUIRED):** The investor signing below, under penalties of perjury, certifies that (i) the number shown on this Subscription Agreement is his or her correct Taxpayer Identification Number (or he or she is waiting for a number to be issued to him or her ), (ii) he or she is not subject to backup withholding either because he or she has not been notified by the Internal Revenue Service ("IRS") that he or she is subject to backup withholding as a result of a failure to report all interest or distributions, or the IRS has notified him or her that he or she is no longer subject to backup withholding and (iii) he or she is a U.S. Citizen unless otherwise indicated in Section 4 **NOTE: CLAUSE (ii) IN THIS CERTIFICATION SHOULD BE CROSSED OUT IF THE WITHHOLDING BOX HAS BEEN CHECKED IN THE INVESTOR INFORMATION SECTION.**

**The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding. If custodial held account, Administrator or Custodian must sign.**

By signing the Subscription Agreement, you agree to provide the information in Section 8 and confirm that this information is true and correct. If we are unable to verify your identity or that of another person authorized to act on your behalf or if we believe we have identified potential criminal activity, we reserve the right to take action as we deem appropriate, including, but not limited to, closing your account or refusing to open your account.

_____ Signature of Investor ( <b>Required</b> )	_____ Signature of Joint Investor (if applicable)	_____ Date
_____ Signature of Custodian or Administrator (if applicable)	<div style="border: 1px solid black; width: 100%; height: 40px; display: flex; align-items: center; justify-content: center;">                 Medallion Signature Guarantee Stamp Here             </div>	

Investors will receive confirmations of their purchases upon acceptance of their subscriptions.

**SUBSCRIPTION AGREEMENT**  
**CANTOR FITZGERALD INCOME TRUST, INC.**



**9. BROKER-DEALER OR RIA AND FINANCIAL ADVISOR INFORMATION**

**THE FINANCIAL ADVISOR MUST SIGN BELOW TO COMPLETE THE SUBSCRIPTION. THE FINANCIAL ADVISOR HEREBY WARRANTS THAT HE/SHE IS DULY LICENSED AND MAY LAWFULLY SELL SHARES IN THE STATE DESIGNATED AS THE INVESTOR'S LEGAL RESIDENCE.**

**ALL FIELDS REQUIRED:**

Broker-Dealer or RIA Name \_\_\_\_\_

Broker-Dealer or RIA Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Phone Number \_\_\_\_\_ Fax \_\_\_\_\_ Email \_\_\_\_\_

Financial Advisor's Name \_\_\_\_\_

Financial Advisor's #/Branch ID \_\_\_\_\_

Financial Advisor's Company Name \_\_\_\_\_

Financial Advisor's Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Phone Number \_\_\_\_\_ Fax \_\_\_\_\_ Email \_\_\_\_\_

Please note, unless previously agreed to in writing by Cantor Fitzgerald Income Trust, Inc. ("CFIT"), all sales of securities must be made through a broker-dealer, including when a Registered Investment Advisor (RIA) has introduced the sale. In all cases, Section 9 must be completed. The undersigned confirms, that they have (i) reasonable grounds to believe that the information and representations concerning the investor identified herein are true, correct and complete in all respects; (ii) discussed prospective purchase of shares with the investor; (iii) advised such investor of all pertinent facts with regard to the lack of liquidity and marketability of the shares; (iv) delivered or made available a current prospectus and related supplements, if any, to such investor; (v) reasonable grounds to believe that the investor is purchasing these shares for his or her own account; and (vi) reasonable grounds to believe that the purchase of shares is a suitable investment for such investor, that such investor meets the suitability standards applicable to such investor set forth in the prospectus and related supplements, if any, and that such investor is in a financial position to enable such investor to realize the benefits of such an investment and to suffer any loss that may occur with respect thereto. The undersigned financial advisor represents and certifies to CFIT and Cantor Fitzgerald & Co. that, in connection with this subscription for shares, he or she has complied with and has followed the requirements of the USA PATRIOT Act of 2001 including the independent verification of the identity of all customers and the reporting of suspicious activities. We have reviewed authorizing entity documentation, if applicable, and are satisfied that the person(s) who signed the documents are permitted to do so. We believe that the sources of our clients' funds are legitimate. Furthermore, we do not maintain or transact business for or with individuals or organizations on Office of Foreign Assets Control (OFAC) list nor with any account in an embargoed country. If acting as an Investment Advisor under the Investment Advisers Act of 1940, we acknowledge that we meet the definition of an Institution under FINRA Rule 4512(c) and that we are capable of and required to evaluate investment risks independently, both in general and with regard to all transactions and investments strategies involving a security or securities and will exercise independent judgment in evaluating this recommendation.

- Through a participating Broker-Dealer.
- Through a Registered Investment Advisor (RIA)\*  
 \* Check only if investment is made by an Investment Advisor Representative through an RIA and not in the capacity as a Registered Representative of a Broker-Dealer.

**I understand this Subscription Agreement is for Cantor Fitzgerald Income Trust, Inc.**

Signature of Financial Advisor ( <b>Required</b> )	Date	Signature of Broker-Dealer or RIA (If required by Broker-Dealer)	Date
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**10. MISCELLANEOUS**

If investors participating in the Distribution Reinvestment Plan or making subsequent purchases of Shares of Cantor Fitzgerald Income Trust, Inc. experience a material adverse change in their financial condition or can no longer make the representations or warranties set forth in Section 8 above, they are asked to promptly notify Cantor Fitzgerald Income Trust, Inc. and the Broker-Dealer in writing. The Broker-Dealer may notify Cantor Fitzgerald Income Trust, Inc. if an investor participating in the Distribution Reinvestment Plan can no longer make the representations or warranties set forth in Section 8 above, and Cantor Fitzgerald Income Trust, Inc. may rely on such notification to terminate such investor's participation in the Distribution Reinvestment Plan.

No sale of Shares may be completed until at least five business days after you receive the final Prospectus. To be accepted, a subscription request must be made with a completed and executed subscription agreement in good order and payment of the full purchase price at least five business prior to the first calendar day of the month (unless waived). You will receive a written confirmation of your purchase.

All items on the Subscription Agreement must be completed in order for your subscription to be processed. Subscribers are encouraged to read the Prospectus in its entirety for a complete explanation of an investment in the Shares of Cantor Fitzgerald Income Trust, Inc.

## APPENDIX B

### AMENDED AND RESTATED DISTRIBUTION REINVESTMENT PLAN

Effective as of August 31, 2020

Cantor Fitzgerald Income Trust, Inc., a Maryland corporation (the “**Company**”), has adopted a Distribution Reinvestment Plan (the “**DRP**”), the terms and conditions of which are set forth below. Capitalized terms shall have the same meaning as set forth in the Company’s charter unless otherwise defined herein.

1. Distribution Reinvestment. As an agent for the stockholders (“**Stockholders**”) of the Company who elect to participate in the DRP or who are automatically enrolled in the DRP (the “**Participants**”) pursuant to the terms of a subscription for shares of the Company’s common stock (the “**Shares**”) pursuant to an offering by the Company (“**Offering**”), the Company will apply all cash distributions, other than Designated Special Distributions (as defined below), (“**Distributions**”), including Distributions paid with respect to any full or fractional shares acquired under the DRP, to the purchase of the Shares for such Participants directly, if permitted under state securities laws and, if not, through the Dealer Manager or Soliciting Dealers registered in the Participant’s state of residence. The Shares purchased pursuant to the DRP shall be of the same Share class as the Shares with respect to which the Participant is receiving cash distributions to be reinvested through DRP. As used in the DRP, the term “Designated Special Distributions” shall mean those cash or other distributions designated as Designated Special Distributions by the Board of Directors.

3. Procedures for Participation. Any Stockholder who owns Shares, other than a Stockholder who is a resident of a state that does not, or is a client of a participating broker dealer that does not, permit automatic enrollment in the DRP who has received a prospectus and purchased Shares in the Company’s primary offering after the effective date of the DRP, will automatically become a Participant unless they elect not to become a Participant by noting such election on their subscription agreement. Any Stockholder who has received a prospectus as contained in the Company’s Registration Statement filed with the Securities and Exchange Commission (the “**Commission**”), who initially elects not to be a Participant, or who is a resident of a state that does not, or is a client of a participating broker dealer that does not, permit automatic enrollment in the DRP, may elect to become a participant of the DRP by completing and executing a subscription agreement, an enrollment form or any other appropriate authorization form as may be available from the Company from time to time. The then-current prospectus will indicate which states do not permit automatic enrollment in the DRP.

Participation in the DRP will begin with the next Distribution payable after receipt of a Participant’s subscription, enrollment or authorization. Shares will be purchased under the DRP on the date that Distributions are paid by the Company. We request that if, at any time prior to the listing of the Shares on a national securities exchange, a Participant does not meet the minimum income and net worth standards established for making an investment in the Company or can no longer make the other representations or warranties set forth in the subscription agreement or other applicable enrollment form, he or she will promptly so notify the Company in writing.

Participation in the DRP shall continue until such participation is terminated in writing by the Participant pursuant to Section 7 below. If the DRP transaction involves Shares which are registered with the Commission in a future registration or the Board of Directors elects to change the purchase price to be paid for Shares issued pursuant to the DRP, the Company shall make available to all Participants the prospectus as contained in the Company’s Registration Statement filed with the Commission with respect to such future registration or provide public notification to all Participants of such change in the purchase price of Shares issued pursuant to the DRP. If, after a price change, a Participant does not desire to continue to participate in the DRP, he should exercise his right to terminate his participation pursuant to the provisions of Section 7 below.

4. Purchase of Shares. Participants will acquire DRP Shares from the Company at a price equal to the transaction price applicable to the class of DRP Shares being acquired by the Participant at the time the DRP Shares are issued. The transaction price will be announced by the Company in a filing with the Commission and generally will be equal to the net asset value (“NAV”), per share applicable to the class of Shares being acquired by the Participant at the time the DRP Shares are issued and most recently disclosed by the Company in a public filing with the Commission. Participants in the DRP may also purchase fractional Shares so that 100% of the Distributions will be used to acquire Shares. However, a Participant will not be able to acquire DRP Shares to the extent that any such purchase would cause such Participant to violate any provision in the Company’s charter.

Shares to be distributed by the Company in connection with the DRP may (but are not required to) be supplied from: (a) the DRP Shares which are being registered with the Commission in connection with the Offering, (b) Shares to be registered with the Commission after the Offering for use in the DRP (a “**Future Registration**”), or (c) Shares of the Company’s common stock purchased by the Company for the DRP in a secondary market (if available) or on a securities exchange (if listed) (collectively, the “**Secondary Market**”). Shares purchased on the Secondary Market as set forth in (c) above will be purchased at the then-prevailing market price, which price will be utilized for purposes of purchases of Shares in the DRP. Shares acquired by the Company on the Secondary Market will have a price per share equal to the then-prevailing market price, which shall equal the price on the securities exchange, or over-the-counter market on which such Shares are listed at the date of purchase if such Shares are then listed. If Shares are not so listed, the Board of Directors of the Company will determine the price at which Shares will be issued under the DRP.

If the Company acquires Shares in the Secondary Market for use in the DRP, the Company shall use reasonable efforts to acquire Shares for use in the DRP at the lowest price then reasonably available. However, the Company does not in any respect guarantee or warrant that the Shares so acquired and purchased by the Participant in the DRP will be at the lowest possible price. Further, irrespective of the Company’s ability to acquire Shares in the Secondary Market or to complete a Future Registration for Shares to be used in the DRP, the Company is in no way obligated to do either, in its sole discretion.

5. Taxation of Distributions. The reinvestment of Distributions in the DRP does not relieve Participants of any taxes that may be payable as a result of those Distributions and their reinvestment pursuant to the terms of this DRP.

6. Share Certificates. The Shares issuable under the DRP shall be uncertificated until the board of directors determines otherwise.

7. Voting of DRP Shares. In connection with any matter requiring the vote of the Company’s stockholders, each Participant will be entitled to vote all Shares acquired by the Participant through the DRP.

8. Reports. Within 90 days after the end of the calendar year, the Company shall provide each Participant with (i) an individualized report on the Participant’s investment, including the purchase date(s), purchase price and number of Shares owned, as well as the amount of Distributions received during the prior year; and (ii) all material information regarding the DRP and the effect of reinvesting dividends, including the tax consequences thereof. The Company shall provide such information reasonably requested by the dealer manager or a participating broker-dealer, in order for the dealer manager or participating broker-dealer to meet its obligations to deliver written notification to Participants of the information required by Rule 10b-10(b) promulgated under the Securities Exchange Act of 1934.

9. Termination by Participant. A Participant may terminate participation in the DRP at any time, upon 10 days’ written notice, without penalty by delivering to the Company a written notice of such termination. Any such withdrawal will be effective only with respect to distributions paid more than 30 days after receipt of such written notice. A Participant may terminate participation in the DRP at any time, upon 10 days’ written notice, without penalty by delivering to the Company a written notice of such termination. Any such withdrawal will be effective only with respect to distributions paid more than 30 days after receipt of such written notice. Any

transfer of Shares by a Participant will terminate participation in the DRP with respect to the transferred Shares. Upon termination of DRP participation, Distributions will be distributed to the stockholder in cash.

10. Amendment, Suspension or Termination of DRP by the Company. The Company may amend, suspend or terminate the DRP for any reason upon ten days' notice to the Participants. The Company may provide notice by including such information (a) in a Current Report on Form 8-K or in its annual or quarterly reports, all publicly filed with the Securities and Exchange Commission or (b) in a separate mailing to the participants.

11. Liability of the Company. The Company shall not be liable for any act done in good faith, or for any good faith omission to act.

12. Governing Law. The DRP shall be governed by the laws of the State of Maryland.



## **Cantor Fitzgerald Income Trust, Inc.**

**Maximum Offering of  
\$1,250,000,000 in Shares of  
Class S, Class T, Class D and Class I  
Common Stock**

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**PROSPECTUS**

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**Cantor Fitzgerald & Co.**

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