

GTIS QUALIFIED
OPPORTUNITY ZONE FUND I

SUSTAINABILITY REPORT 2021



GTIS PARTNERS

WWW.GTISPARTNERS.COM

TABLE OF CONTENTS

| | |
|--|----|
| Letter to Investors | 4 |
| Fund Investments | 7 |
| ESG Performance | 8 |
| GTIS at a Glance | 9 |
| Social Infrastructure Track Record | 10 |
| Fund Investments | 11 |
| GTIS Opportunity Zones | 12 |
| Symphony Park, Las Vegas, NV | 15 |
| Cadence Build to Rent, Mesa, AZ | 22 |
| GTIS Corporate | 28 |
| Disclaimers and Limitations | 32 |

LETTER TO INVESTORS

GTIS invests in assets within Opportunity Zones that generate value for our clients and drive sustainable economic development within communities. We believe that strong investment returns are not only compatible with positive environmental, social, and economic impact, but that unlocking and solving for social or environmental needs often creates the opportunity for commercial growth and attractive returns¹.

GTIS is pleased to share our second annual Sustainability Report for the GTIS Qualified Opportunity Fund I ("Fund"). As a firm, we are dedicated to integrating ESG factors into our investment process and operations responsibly. The Fund includes seven development properties: 2 completed projects and 5 projects under construction. The development and construction practices at these properties reflect GTIS' commitment and dedication to operating responsibly and minimizing the environmental impact on our communities. The Fund's investments include projects in the multi-family, single-family rental, and industrial logistics sectors. GTIS is pleased to have submitted its first annual response to the GRESB Real Estate Assessment for the Fund, further demonstrating our commitment to transparency. Given real estate development is the primary strategy of the Fund, we are aware of the potential impact our business may have on the environment and local communities. Upholding our fiduciary duties to investors is our priority, and this includes minimizing ESG-related risks and considering the interests of all relevant stakeholders. According to GRESB, funds with high scores on their Real Estate Assessment outperform funds with lower scores². This assessment measures a fund's level of transparency related to ESG factors, development and management policies, and data tracking for environmental metrics. According to several other studies, green buildings consistently command higher rents and positive sale value premiums compared to non-green buildings³. For multifamily properties specifically, estimates have shown that green-certified units earn a 9% premium on average over non-certified units⁴.

GTIS has demonstrated an ongoing commitment to responsible practices and ESG considerations since first establishing our policy to ESG and relevant practices in 2012. With the novelty of the Fund, this year marks our first Fund submission to GRESB, several other GTIS-managed funds have participated in the GRESB Real Estate Assessment since 2012, and GTIS has consistently received high scores with improvement each year. In 2021, GTIS received Gold level recognition by Green Lease Leaders, a program of the Institute for Market Transformation (IMT) and the U.S. Department of Energy (DOE), for our efforts to incorporate green leasing

¹ GTIS makes best efforts to analyze ESG factors to the extent practical, but Fund investments are not classified as Socially Responsible Investments (SRI) or "green" investments as defined by the SEC, other government agencies, or independent rating agencies. ESG factors are analyzed for Fund investments but are not always utilized prior to the transaction closing. ESG considerations may not be utilized in all cases due to physical limitations, government approvals, budgetary limitations and/or changing market demands

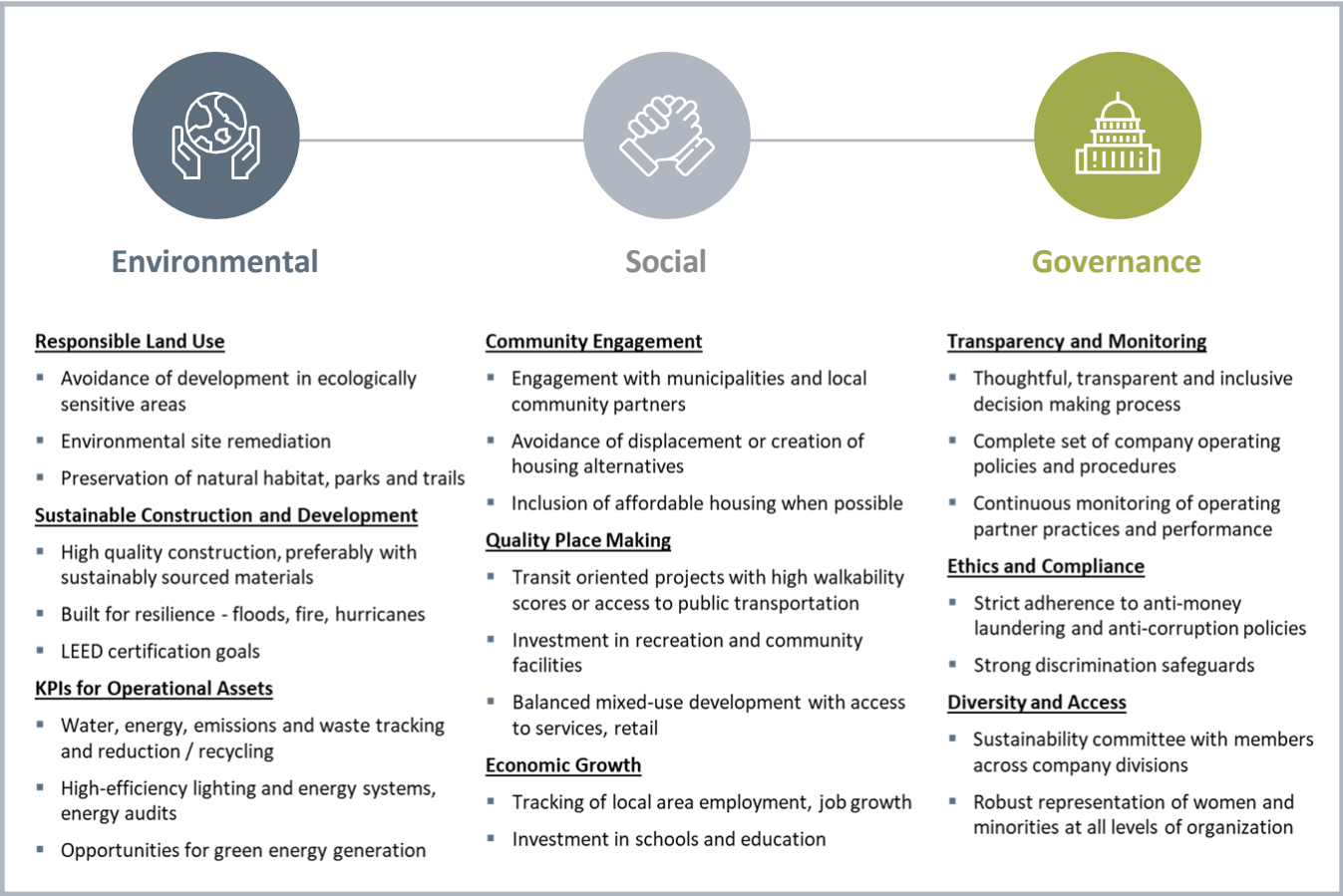
² Sustainable Insights in Private Equity Performance: Evidence from the European Non-listed Real Estate Fund Market- S. Dirk Brounen and Maarten van der Spek; The return difference was significant between the highest and lowest deciles, with the highest decile funds based on GRESB score outperforming the lowest decile by about three percent annually on average

³ "ESG in Real Estate"- Allianz Global Investors 2015

⁴ LEED Studies, 2020; Greenhomeguide.com

clauses into our lease agreements and our work with tenants to adopt environmental best practices. As the Fund properties move from the development to the operational phase, we plan to institute green leasing practices as practicable.

Beginning in the due diligence phase of an investment, we utilize our ESG Evaluation Checklist, which includes relevant factors specific for development projects in underserved areas. We use this Checklist in tandem with our traditional due diligence procedure for all new investments to assess potential ESG risks and opportunities. If there are any identified areas of opportunity, GTIS will consider relevant initiatives to implement alongside our operating partners. Our ESG Evaluation covers many facets of potential risk across the value chain, starting with land use and planning, construction and development, and operations of completed assets. We analyze physical risks, such as existing site contamination (and remediation that may be required before development), water flooding, earthquakes, hurricanes, and heat stress. The rubric covers a property’s resilience, energy use, and waste management procedures, and assesses the team’s plans for tenant engagement. We also analyze social and demographic data obtained from third-party sources which help the team understand the social impact of our investments.



On the Environmental front, we are focused on responsible land use and site remediation with our development partners, often pushing beyond the required environmental standards that may vary across cities and states. Since the firm's inception in 2005, our residential communities have delivered more than 50 public parks and playgrounds, 30 recreation centers, and various habitat protection measures including flood zone reservoirs and levee systems. During the construction phase, we aim for fundamental resilience against floods, fires, hurricanes, and other natural disasters that have become all too frequent in our increasingly fragile ecosystem. Within the Fund, Symphony Park (the first project within the Fund to complete construction) has qualified to achieve LEED Gold Certification for Neighborhood Development by the US Green Building Council in recognition of its commitment to efficiency and maintaining a minimal footprint.

The Fund's unique strategy of acquiring properties in Opportunity Zones allows us to have a positive social impact on local communities. Throughout the development process, we engage with community members and municipalities to ensure we are meeting the local needs and regulatory guidelines. Across our investment portfolio, GTIS funds have contributed to the creation of over 13,600 affordable housing units to date globally. We aim for quality place-making, including investments in recreation and community facilities, access to services, and retail options for our home buyers and tenants. In addition, we track and evaluate important socio-economic metrics at the level of the local census tract and MSA where our projects are located, to understand the changes affecting the area over the long term we strive not to displace any communities or affordable housing units in the Fund and the fund's investments have not led to any displacement. This report highlights the socio-economic benchmarks in our development areas such as population growth, gender composition, ethnic diversity, age distribution, employment and income, education and school quality, transit mobility, housing stability, and statistics on crime, health, and well-being. We intend to track social and demographic metrics on an annual basis and evaluate whether the QOZ investment program has made a positive impact on the communities over this time.

FUND INVESTMENTS

The Fund has invested in seven development properties as of Q4 2021, and as of the date of this letter, the Fund closed on four additional assets with an additional four investments pending closing. To highlight some of the findings of our asset-level ESG evaluations, the physical risk assessment showed a low risk of hurricanes, earthquakes, or water level rise and moderate flood risk across the portfolio. Most of the Fund's properties will use energy-efficient LED lighting, and Symphony Park and Alta West Morehead intend to meet LEED Silver and NGBS Bronze standards, respectively. Recycling will be offered at Cadence and Ivy & Green and will be evaluated during the operational phase for these investments to align with our environmental objectives.

Going forward, we plan to work with our development and construction partners to institute regular technical building assessments across all operational properties at least once every three years. These assessments will cover electrical, water, and waste systems and help identify areas for improvement. Through the technical assessment process, our team has identified and implemented LED retrofit projects and renewable energy opportunities in prior funds, and we plan to pursue a similar approach here. Across all new ventures, we are prioritizing the collection of ESG Key Performance Indicator ("KPI") data, such as energy, water, and waste metrics.

In terms of demographics in the surrounding Census tracts, the key socioeconomic variables are weaker than national averages, which is expected to be the case in Opportunity Zones. Unemployment rates and median income levels, two key socioeconomic variables tracked for Fund investments, vary by asset depending on several factors, including the history of the surrounding area and how local employment was impacted by the COVID-19 pandemic. The same is true for other important variables such as education levels and mobility scores. Given the nature of the Opportunity Zone program and the characteristics of the areas surrounding the Fund assets, we expect some of the Fund's Census tracts to change dramatically over the coming years because of our developments.

For a more detailed review of the Fund assets and their ESG assessments, please see the demographic data tables and ESG Case Studies below.

ESG PERFORMANCE

At GTIS, we view sustainability as a way to create and protect asset value, and our portfolio management team is working diligently to incorporate ESG principles into our business plans, where practical. GTIS aims to have a positive influence on our surrounding communities, and we are committed to monitoring our impact and meeting local needs. We will continue to investigate opportunities to advance our ESG strategy and look forward to sharing our progress with investors.

GRESB

The GRESB assessment is a leading global real estate ESG benchmark that assesses the ESG performance of selected GTIS funds and benchmarks the results as compared to funds in their peer groups. GRESB uses data from the previous calendar year to calculate fund scores and ratings. The figures below are firmwide scores from the 2021 GRESB Management & Performance Benchmark.

7

Assets with a floor area
of 1.8 million SQFT were
evaluated

\$368.6 M+

Gross asset value (GAV)
evaluated

73 score, Green Star

Fund ranked 16th out of 27
peer companies

DIVERSITY

As of December 31, 2021, GTIS employees

26%

Senior Management
Diversity

41%

Women across the
company

32%

People of color in
professional positions

GTIS AT A GLANCE

Q4 2021 FIRM OVERVIEW METRICS:



Employees
(1% increase)



Assets Under
Management⁵



Offices

US PORTFOLIO AT A GLANCE⁶



In Projected Value
(26% increase)



Markets
(2% increase)



US Assets
(9% increase)



Equity Committed
(8% increase)



Project Costs
(33% increase)



Residential Units
(3% increase)

⁵ "Assets under Management" represents Gross Assets under Management and may differ from Regulatory Assets Under Management, as reported in regulatory filings. Gross Assets Under Management represents the gross appraised value of assets managed by GTIS and its joint venture partners as of Q4 2021. Figures include minority joint venture partners' ownership interests where applicable. Figures also include any Limited Partner unfunded commitments to GTIS separate accounts, funds, and co-investment vehicles. Figures exclude both property-level debt as well as working capital at the joint venture or aggregating vehicle entities.

⁶ Figures as of Q4 2021. Figures in the top section represent GTIS overall; figures in the bottom section pertain only to the US portfolio. Figures may include historical or projected metrics, if applicable. Projected metrics used are based on assumptions deemed reasonable and sound by GTIS under the current circumstances but are not actual or guaranteed. For more information, please see www.gtispartners.com

GTIS SOCIAL INFRASTRUCTURE TRACK RECORD⁷

8
LEED

Certified Projects

OVER
13,600

Affordable Housing Units Globally

11

Schools

51

Parks and Playgrounds

33

Recreation Centers



Levee Systems,
Reservoirs, Bioswales

OVER
\$1.38

of Spending on Community
Infrastructure Development



Flood Levee at Sienna (Houston, TX)



Retention Basins at Union Park (Tampa, FL)



School at Cadence (Phoenix, AZ)



Pool at Water's Edge (Dallas, TX)



Amenity at Glen Creek (Tampa, FL)



Amenities at Cadence (Phoenix, AZ)



National recognition honoring property owners that incorporate green leasing strategies, helping to drive high-performance and environmentally efficient buildings



⁷ 7 Metrics apply to the entire GTIS US portfolio and include future projections where applicable

FUND INVESTMENTS Q4 2021

| Investment | Address |
|-------------------------------|--|
| 01 – Symphony Park | 251 N City Pkwy, Las Vegas, NV 89106 |
| 02 – Cadence Build-to-Rent | 9760 E Cadence Pkwy, Mesa, AZ 85212 |
| 03 – Ivy & Green | 85 Midtown Bridge St, Hackensack, NJ 07601 |
| 04 – Alta West Morehead | 2016 W Morehead St, Charlotte, NC 28208 |
| 05 – Airport Logistics Center | 14160 West Yuma Road, Goodyear, AZ 85338 |
| 06 – 65 S Horton | 65 South Horton Street, Seattle, WA, 98134 |
| 07 – Aspen Heights UMD | 4205 Knox Road, College Park, MD, 20740 |

| Investment | Location | Type | Date Closed | Fund Ownership | Unit Count and Sqft | Committed Capital (\$M) |
|-------------------------------|------------------|-------------------|-------------|----------------|---------------------|-------------------------|
| 01 - Symphony Park | Las Vegas, NV | Multifamily | Aug-19 | 90% | 324 units | 35.0 |
| 02 - Cadence Build-to-Rent | Mesa, AZ | SFR Build-to-Rent | Feb-20 | 100% | 197 units | 42.3 |
| 03 – Ivy & Green | Hackensack, NJ | Multifamily | Jul-20 | 83% | 389 units | 43.4 |
| 04 - Alta West Morehead | Charlotte, NC | Multifamily | Aug-20 | 95% | 308 units | 30.2 |
| 05 – Airport Logistics Center | Goodyear, AZ | Industrial | May-21 | 83% | 490,320 sqft | 17.4 |
| 06 – 65 S Horton | Seattle, WA | Industrial | Aug-21 | 90% | 127,000 sqft | 14.7 |
| 07 – Aspen Heights UMD | College Park, MD | Residential | Sept-21 | 90% | 221, 741 sqft | 33.6 |
| Total | | | | | | 216.7 |



SYMPHONY PARK - LAS VEGAS, NV



CADENCE BUILT-TO-RENT - MESA, AZ



IVY & GREEN – HACKENSACK, NJ



ALTA WEST MOREHEAD – CHARLOTTE, NC

GTIS OPPORTUNITY ZONES

DEMOGRAPHIC DATA

| Investment Location | Symphony Park <i>Las Vegas, NV</i> | Cadence Build-to-Rent <i>Mesa, AZ</i> | Ivy & Green <i>Hackensack, NJ</i> | Alta West <i>Charlotte, NC</i> | Airport Logistics Center <i>Goodyear, AZ</i> | 65 S Horton <i>Seattle, WA</i> | Aspen Heights <i>College Park, MD</i> | Source | As-of Date |
|---|---------------------------------------|--|--------------------------------------|-----------------------------------|---|-----------------------------------|--|----------------------------|------------|
| DEMOGRAPHICS | | | | | | | | | |
| State Population | 3.1 mill | 7.2 mill | 9.3 mill | 10.4 mill | 7.2 mill | 7.7 mill | 6.2 mill | US Census ⁵ | 2020 |
| Population (MSA) | 2.8 mill | 5.0 mill | 46,030 | 2.7 mill | 5.0 mill | 4.0 mill | 35,423 | US Census | 2020 |
| Population Density (People/sq mile) | 28.3 | 62.9 | 1,263 | 214.7 | 62.9 | 115.9 | 636.1 | US Census | 2020 |
| Gender ratio (%Female) | 50.1 | 50.6% | 52.9% | 52% | 52.5% | 49.4% | 47.6% | US Census ACS | 2020 |
| Diversity Index | 68.8% | 61.5% | 65.8% | 57.9% | 61.5% | 55.9% | 67.3% | US Census | 2020 |
| Marital status (% married) | 45.1% | 48.7% | 53.6% | 48.5% | 48.7% | 50.7% | 47.5% | US Census ACS | 2021 |
| AGE DISTRIBUTION | | | | | | | | | |
| Median age (years) | 38.3 | 38.2 | 40.1 | 39.1 | 38.2 | 37.8 | 39.1 | US Census ⁶ | 2020 |
| Under 5 years | 6.3% | 6.6% | 5.7% | 6.7% | 6.4% | 4.6% | 3.9% | US Census | 2020 |
| Under 18 years | 23.7% | 23.9% | 16.7% | 23.4% | 24.5% | 14.5% | 10.0% | US Census | 2020 |
| Ages 65+ | 14.9% | 16.6% | 16.0% | 10.4% | 17.1% | 12.5% | 6.3% | US Census | 2020 |
| EMPLOYMENT | | | | | | | | | |
| Unemployment rate | 10.0% | 3.1% | 4.9% | 9.6% | 5.5% | 10.6% | 5.6% | US Census | 2020 |
| Median Household Income | \$66,274 | \$69,056 | \$89,296 | \$61,972 | \$69,056 | \$84,247 | \$90,203 | US Census ACS | 2021 |
| People living below the fed. poverty line | 14.1% | 12.8% | 10.2% | 13.4% | 12.8% | 9.9% | 10.3% | US Census ACS | 2021 |
| EDUCATION | | | | | | | | | |
| Education Attainment (College or higher) | 27.6% | 32.4% | 43.1% | 34.9% | 32.4% | 39.0% | 42.5% | US Census ACS ⁷ | 2021 |
| Households with broadband internet | 82.6% | 89.3% | 89.6% | 89.4% | 94.1% | 91.9% | 86.0% | US Census | 2020 |
| School enrollment (K-12) | 71.9% | 70.1% | 66.9% | 67.5% | 70.1% | 69.4% | 65.6% | US Census ACS | 2021 |
| MOBILITY | | | | | | | | | |
| Walk Score (1-100) | 42 | 38 | 73 | 26 | 17 | 74 | 53 | Walk Score | 2021 |
| Transit Score (1-100) | 36 | 27 | 56 | 27 | 0 | 60 | 44 | Walk Score | 2021 |
| Bikeable Score (1-100) | 46 | 60 | 49 | 31 | 42 | 71 | 70 | Walk Score | 2021 |
| Mean travel time to work (minutes) | 25.7 | 25.4 | 31.4 | 25.6 | 31.3 | 27.7 | 28.7 | US Census | 2016-2020 |
| HOUSING STABILITY | | | | | | | | | |
| Homeownership rate | 53.4% | 62.4% | 33.7% | 52.8% | 79.1% | 44.9% | 42.8% | US Census | 2016-2020 |
| Median gross rent | \$1,552 | \$1,105 | \$1,493 | \$1,185 | \$1,435 | \$1,702 | \$1,583 | US Census | 2016-2020 |
| Housing Units | 1,281,018 | 3,082,000 | 3,761,229 | 4,708,710 | 3,082,000 | 3,202,241 | 2,530,844 | US Census | 2020 |
| Housing vacancy rate | 8.1% | 12.2% | 8.9% | 11.6% | 12.2% | 7.1% | 8.3% | US Census | 2020 |

⁵ US Census Tract: <https://www.census.gov/quickfacts/fact/table/US/PST040221>

⁶ US Census 2020: <https://www.census.gov/data/tables/time-series/demo/popest/2010s-state-detail.html>

⁷ US Census ACS: <https://data.census.gov/cedsci/>

| Investment Location | Symphony Park <i>Las Vegas, NV</i> | Cadence Build-to- Rent <i>Mesa, AZ</i> | Ivy & Green <i>Hackensack, NJ</i> | Alta West <i>Charlotte, NC</i> | Airport Logistics Center <i>Goodyear, AZ</i> | 65 S Horton <i>Seattle, WA</i> | Aspen Heights <i>College Park, MD</i> | Source | As-of Date |
|--|--|--|--------------------------------------|-----------------------------------|--|-----------------------------------|--|------------------|------------|
| HEALTH AND WELL BEING | | | | | | | | | |
| People living with a disability under the age of 65 years | 8.9% | 8.1% | 7.3% | 5.6% | 6.3% | 6.2% | 3.4% | US Census | 2016-2020 |
| Life expectancy at birth | 76.3 | 76.3 | 77.5 | 76.1 | 76.3 | 79.2 | 79.0 | CDC ⁸ | 2020 |
| Persons without health insurance under the age of 65 years | 14.5% | 14.1% | 14.2% | 13.8% | 9.4% | 4.9% | 7.6% | US Census ACS | 2020 |

⁸ CDC: https://www.cdc.gov/nchs/pressroom/sosmap/life_expectancy/life_expectancy.htm

GTIS OPPORTUNITY ZONES

OVERVIEW AND CASE STUDIES



SYMPHONY PARK - LAS VEGAS, NV



CADENCE BUILD-TO-RENT - MESA, AZ



IVY 7 GREEN – HACKENSACK, NJ



ALTA WEST MOREHEAD – CHARLOTTE, NC

SYMPHONY PARK, LAS VEGAS, NV

MULTIFAMILY DEVELOPMENT

KEY INVESTMENT FACTS

| | |
|-----------------------------|--|
| Investment Date: | August 2019 |
| Property Type: | Multifamily |
| Location: | 251 South City Parkway, Las Vegas, NV 89106 |
| Equity Committed: | \$35.1M |
| Development Cost: | \$93.1M |
| Development Partner: | Southern Land Co. |
| Completion: | Q4 2021 |
| Website: | www.auricvegasapartments.com |



ELECTRIC VEHICLE CHARGING STATIONS

Installed six EV charging stations in Q1 2022



RESPONSIBLE WASTE MANAGEMENT

Effective waste management plan with 50% recycled and 50% diverted.



TENANT ENGAGEMENT

Regular engagement of tenants through surveys after the prospective tour, move-in, after service request, and before lease renewal

INVESTMENT OVERVIEW

Symphony Park is a ground-up development of a multifamily rental project located on a 5.25-acre site within a master-planned community adjacent to the Medical District in Las Vegas. The project is located directly across a 1.7-acre public park and the Smith Center for the Performing Arts, a major concert and performance venue.

Auric Symphony Park is the first residential component within the visionary Symphony Park development which includes the Smith Center, The Discovery Children's Museum, The Cleveland Clinic Brain Health Center, and will include a variety of restaurants, entertainment, and shopping options. Construction on the project started in 2019 and was completed in Q4 2021.

Auric Symphony Park will include 324 studio, 1-bedroom, and 2-bedroom apartments, approximately 14,500 square feet of retail and restaurants, and over 400 parking spaces that will be available to both residents and visitors of Symphony Park. The property features market-leading finishes, a resort-style pool, resident lounge, fitness center, and business center, and provides a spectrum of services, social events, and cultural experiences for residents.

Symphony Park is located at the former Union Pacific Railyard, which was acquired by the City of Las Vegas in the year 2000 with a plan to revitalize the area and develop a mixed-use master plan that would connect Downtown Las Vegas with the Medical District. Construction on the public amenities started in 2007 when The Smith Center received a \$100 million challenge grant from the Donald W. Reynolds Foundation. The Smith Center opened in 2012, followed by the Discovery Children's Museum in 2013. The overall master plan encompasses a variety of uses – the area is zoned for over 3,000 residential units, 1.6MM SF of office, 370k SF of retail, 1,750 hotel keys, and 16k parking spaces at the buildout.

Symphony Park's neighbors include the 5.1-million-square-foot World Market Center Las Vegas, the 175-store Las Vegas North Premium Outlets, and the multistory Clark County Government Center. The Las Vegas Medical District is a major employment center with ~13,000 jobs that are in the process of expanding, with plans to double in size by another 11,000 new jobs through 2030. The Las Vegas Strip and Spring Valley are 10–15 minutes driving distance from the project and encompass 120,000 and 30,000 jobs, respectively. The strong nearby employment base, as well as the growth of the food and beverage scene Downtown, will create a unique live-work-play environment that appeals to residents. The overall improvement and transformation of the area match well with the Fund's long-term mandate.



ESG CASE STUDY

Symphony Park, Las Vegas, NV

ENVIRONMENTAL

Below is a summary of the most relevant environmental topics for this investment:

The Symphony Park master plan is the only project in the state of Nevada to be accepted into a national pilot program for green neighborhood developments and was awarded gold certification under stage 2 of the U.S. Green Building Council's Leadership in Energy and Environmental Design for Neighborhood Development. (LEED®-ND). The Environmental Risk Management Report for the entire Symphony Park master plan was completed by Converse Consultants, which determined the extent of future remediation requirements for proposed hospital, residential and retail uses.

Physical Risk: The site location has a high-risk exposure to heat and water stress due to its location in the high desert. The following table summarizes the Physical Climate Risk assessment in February 2021:

| Climate Hazard | Risk Level | Site Score | Country/Benchmark |
|----------------------|------------|------------|-------------------|
| Heat Stress | High | 45 | 45 |
| Hurricane & Typhoons | None | 0 | 23 |
| Sea Level Rise | None | 0 | 6 |
| Water Stress | High | 54 | 46 |
| Wildfire | Low | 40 | 64 |

Site Contamination and Remediation: The site was formerly part of a Union Pacific railroad yard, and for more than 70 years was occupied by railroad operations, which included fueling and train maintenance. In 1992, a

Comprehensive remediation plan was established to detect and mitigate both petroleum hydrocarbons in soils, as well as Volatile Organic Compounds (VOCs) in soil vapors. Testing and remediation on soils and groundwater began as far back as 1989, and approximately 280,000 tons of affected soil were removed from the 61-acre site in 1992. In 2007, previous owners completed a comprehensive vapor survey and human health risk assessment and concluded that there were no longer any vapor mitigation risks to potential occupants.

In 2018, a full-scale Phase I ESA study was obtained from Kleinfelder, a third-party expert, and additional mitigation work was completed in alignment with the Soil and Groundwater Management Plan (SGMP) prepared through the Nevada Department of Environmental Protection (NDEP) Brownfields Program. The ESA and associated reports included soil boring and sample analysis with a lab-determined measure of VOCs. The analysis indicated that some soils were present that were classified as “legally clean” and non-hazardous, yet for prudence, some additional soil was excavated and sent to a nearby hydrocarbon treatment facility to eliminate contaminants. A Phase II ESA study was not required.

Biodiversity and Natural Habitat: The site was a brownfield formerly in industrial use and did not contain any meaningful natural habitat. After railyard decommissioning the landscape consisted of rocky and sandy soil typical of the Las Vegas desert climate. No endangered species inhabit the site or the surrounding area.

Noise: No third-party analysis was performed, but the site is located near casinos, a concert venue, a large convention center, and highways, giving rise to potentially elevated levels of noise.

Energy Efficiency/Certification: The project is targeting to meet LEED thermal enclosure certification requirements by the end of 2022. With 40% occupancy at the end of 2021, housing units had operational ENERGY STAR appliances.

Recycling: Our facility prides itself on being paperless. 50% of the waste generated from the buildings is recycled while the other 50% is landfilled. Waste is collected from the tenants 3 times a week.

Indoor Air Quality: There were considerations to indoor air quality by using eco-friendly paints and solvents for finishings in the units.

Construction Safety: The contractor has safety-trained personnel. Hospital locations are included in site orientations, and contractors performed regular training sessions.

SOCIAL

Demographics: The population for the Las Vegas MSA is 2.7 million and data shows a population density of 28.3 people per square mile. Las Vegas has experienced population growth above the national average and is expected to continue receiving in-migration flows. The Las Vegas MSA is attracting new residents thanks to its relative affordability, and businesses are being drawn due to the lower cost of doing business (in particular, low property taxes and the lack of state and local income taxes). The diversity index is 68.8/100, and approximately 45.1% of people in the tract are married.

Employment: Localized Census tract data show a 10.0% unemployment rate within the Census tract, no doubt elevated by the residual impact of the pandemic, recession, and inflation that has led to shutdowns and ongoing restrictions in the Las Vegas hospitality and entertainment sector. While the Las Vegas economy has not reduced its employment exposure to leisure/hospitality, other, more stable sectors, such as healthcare, have grown in this cycle.

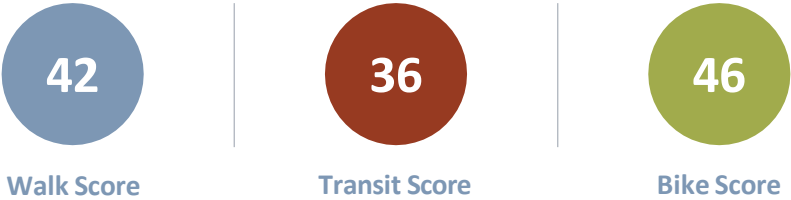
Income: Median household income of \$66k is the second lowest across Fund investments, however, at present, the Census Tract has a limited residential population as a former industrial site.

Affordability: Median home value and rents are among the lowest in the Fund portfolio, and the vacancy rate of about 8.1% is one of the lowest as well. However, the area is currently in transition with the development of the new master plan. Affordability for the project’s units was modeled based on other similar projects in the area.

Education: Like the income profile, the education profile of the Census Tract is impacted by its current non-residential nature, as only 27.6% of the local population has at least a college degree. A nearby middle school, Hyde Park (located at 900 Hinson Street), is approximately 3 miles from the site and boasts an 8/10 rating on a Neighborhood Scout report. The report states that this school is superior to 82% of all NV schools.

Health: Life expectancy is 76.3 years, which is among the lowest compared to other Census tracts in the portfolio. There are about 8.9% of people under the age of 65, living with a disability, which is the highest among all other Census tracts for investments in the portfolio. The project is located approximately one mile from the Las Vegas Medical District, comprising approximately 680 acres of medical use with 800 hospital beds, seven schools, four hospitals, two imaging centers, and Nevada’s only Level 1 Trauma Center. The district is anchored by the UNLV School of Medicine with several other key employers, including Valley Hospital Medical Center University Medical Center of Southern Nevada (UMC), Nevada System of Higher Education, and numerous others.

Transportation: The project is located at the intersection of two of the largest highways in Nevada (Route 95 and Interstate 15) providing immediate access to the Strip, Downtown, North Las Vegas, Summerlin, Paradise, Henderson, and McCarran International Airport. Las Vegas recently completed a long-awaited transit improvement project (Project Neon) focused on the highest traffic section of the highway in the state, with 300,000 passengers daily (1/10th of the state’s entire population). Project Neon’s scope and total cost of \$900MM makes it the largest public works project in Nevada’s history. The enhancements are anticipated to dramatically reduce congestion, particularly between Downtown and the Strip, enhancing the appeal of the project. The project is an average 25.7 minute drive of residents’ place of work. In terms of public transport, there is a bus stop adjacent to the property and the location has the following transit scores:



Community Impact: The site was previously an empty dirt lot and local city officials have expressed dedicated support for the development of the project as part of the comprehensive Symphony Park Master Plan, in development since 2007. The project did not result in any displacement or elimination of housing units on site.

Tenant Engagement: The construction was completed under budget with a grand opening that was held in September 2021 with keynote speakers including the Mayor of Las Vegas. The site offers an extensive array of amenities to residents who are estimated to occupy at least 94% by Q4 2022. The completed facility uses Ellis to engage its tenants through surveys conducted after a prospecting tour, after moving in, after completion of a service request, and before lease renewal. By the end of 2021, the overall community score stood at 91% from over 50 on-site respondents.

GOVERNANCE

The project is owned by a joint venture between GTIS Partners and Southern Land Co (90% and 10%, respectively). GTIS has a strong relationship with SLC and has found them to be an experienced, capable, and high-integrity developer. SLC is a Nashville-based real estate development firm founded in 1986 by CEO Tim Downey. To date, SLC has completed more than 22 retail, commercial, apartment home, and single-family residential community development projects with more than \$1.0Bn in projects currently under development. SLC is a fully integrated development company with expertise in design, construction, and property management. GTIS retains major decision rights and performs ongoing asset management and monitoring for the project. Southern Land Company has been retained as the local project lead and will handle day-to-day operations.



CADENCE BUILD TO RENT, MESA, AZ

BUILD TO RENT

KEY INVESTMENT FACTS

| | |
|------------------------------|---|
| Investment Date: | February 2020 |
| Property Type: | Single Family Homes |
| Location: | 9760 E Cadence Parkway, Mesa, AZ 85212 |
| Equity Committed: | \$45.5M |
| Development Cost: | \$45.6M |
| Development Partner: | N/A |
| Projected Completion: | Q2 2023 |
| Website: | https://tavalocatcadencemesa.com/ |



RESILIENT MATERIALS

HercuWall construction carries an R-31 rating contributing to the sustainability, fire resistance, and sound rating of each home



ENHANCED SYSTEMS

SMART home appliances that can be controlled from the tenant's mobile device

TENANT ENGAGEMENT

5-star Google rating with regular tenant engagement through surveys



ELECTRIC VEHICLE CHARGING STATIONS

Evaluating vendors for EV charging stations serving the community

INVESTMENT OVERVIEW

Cadence Build to Rent (“Cadence BTR”) is a ground-up development of 197 single-family homes in Mesa, AZ, located within the Cadence master-planned community (“MPC”). The project is located on a 16.3-acre site and is zoned for high-density residential.

The project will feature “bungalow” style single-story homes (1BR units are built as duplexes; 2BR and 3 BR units are detached) with 10’ lofty ceilings, open floor plans, and small private backyards. The project will have community amenities, such as a gated entry, central park, swimming pool, spa and cabanas, a leasing center & resident lounge, a fitness center, yoga lawn, dog park and dog run.

Cadence is one of Phoenix’s premiere MPCs given its prominent location in the highly desirable Southeast Valley, its size, and its vast resort-style amenities. The MPC, developed by a GTIS-managed predecessor fund, is comprised of a mix of uses, including over 1,500 for-sale single-family lots, an onsite school, and recreational facilities, as well as parcels designated for multifamily and retail uses. The MPC has sold all the for-sale single-family residential lots to a consortium of homebuilders, which include Toll Brothers, Lennar, Pulte, Gehan, Maracay, and Mint Homes, and over 1,000 homes have been sold to end-users as of April 2021. Renters in the Project will benefit from access to the existing infrastructure and amenities of the MPC.

Phoenix’s Southeast Valley (Mesa, Gilbert, and Chandler), located 40 minutes from downtown Phoenix, has become one of the largest employment growth areas in the MSA, which includes Chandler’s “Price Road Corridor” with large established employers and large-scale expansion commitments from leading tech companies including Intel’s \$7Bn plant (located 20 mins to the Project), and the “Elliot Road Tech Center” located 3 miles north of the Project, which is home to Apple’s Data Command Center and the recently announced \$1Bn Google Data Center.

Cadence BTR sits near the entrance of the Cadence MPC, adjacent to the future retail development providing residents with walkability to commercial services (target tenant categories include restaurants, coffee, fitness, etc.).

Existing Cadence BTR Amenities





ESG CASE STUDY

Cadence Build-to-Rent, Mesa, AZ

ENVIRONMENTAL

Below is a summary of the most relevant environmental topics for this investment:

Site Contamination: Phase I ESA was completed; soil quality was tested with no issues.

Energy Efficiency/Certification: The project utilizes LED lighting and meets AZ Energy Star Code compliance; aiming to maximize HERS scores for home energy; project team has chosen to utilize a HercuWall exterior wall system, which is expected to improve insulation and energy efficiency. The project will not be green certified at construction but will be designed to obtain Energy Efficiency Tax Credits through Energy Star, allowing tax credits to be generated for homes that outperform on heating and cooling.

HercuWall: HercuWall is a panelized wall building system made of concrete, EPS foam, and steel. During the design phase, advanced Building Information Modeling (BIM) technology is used to create the panel kits from project blueprints. The digital files are then transferred to the manufacturing facility, where the panels are created. Finally, the numbered panels are shipped to the site for on-site assembly. After rebar and top tracks are added, the panels are ready for concrete to be poured.

The HercuWall at Cadence has an R-31 rating and GTIS has witnessed several benefits from using this product at Cadence, including energy efficiency, faster building time, a safer building environment, less on-site labor, less waste, greater sustainability, and superior durability in high winds and floods. By leveraging HercuWall technology, GTIS expects to reduce the lumber required for the project by approximately 35% and decrease the vertical cycle time by 50% compared to traditional construction, mitigating cost and labor risks. HercuTech, the manufacturer of HercuWall, currently manufactures in the Phoenix Area, helping to address one of the primary concerns related to prefabricated construction, the transportation cost and risk, particularly during the COVID pandemic where residential construction was materially delayed by supply-chain delays.

Water Efficiency: The project features smart irrigation and low-water & drought-tolerant landscaping to combat potential water stress. A water retainage analysis was performed, and the business plan incorporates building an onsite water retention system to prevent flooding.

Physical Risk: The site’s location is not historically prone to most natural disasters such as earthquakes, floods, hurricanes, typhoons, and sea level rise. However, the area does have heat and water stress. The following table summarizes the Physical Climate Risk assessment from February 2021:

| Climate Hazard | Risk Level | Site Score | Country/Benchmark |
|----------------------|------------|------------|-------------------|
| Earthquakes | None | 0 | 22 |
| Floods | Low | 2 | 20 |
| Heat Stress | High | 52 | 45 |
| Hurricane & Typhoons | None | 0 | 23 |
| Sea Level Rise | None | 0 | 6 |
| Water Stress | High | 81 | 46 |
| Wildfire | Medium | 61 | 64 |

Indoor Environmental Quality: Floor plans are designed to maximize daylight and views for occupants. HercuWall R-30 panels, an integrated wall-panel system that provides structural strength that is superior to traditional lumber, fire resistance, sound deadening, and energy efficiency, will significantly reduce HVAC sizing requirements and energy usage & improve indoor air quality.

Resilience: HercuWall panels are mold, rot, pest, and water resistant.

Recycling: The project is expected to offer recycling to tenants.

Community Impact:

- The site does not destroy or impact any farmland; the site is not in proximity to any natural habitats; there are no brownfields on the site; the site was previously mass graded.
- The team met with public groups as part of the city approval process.

Materials:

- Wherever possible, materials will be sourced locally.
- HercuWall was constructed from recyclable materials.
- The business plan utilizes low-VOC materials.



SOCIAL

Demographics: The population for the MSA is approximately 5.0 M and data shows a population density of 62.9 people per square mile for the Census tract. This MSA has experienced strong population growth and in-migration flows, as mentioned in previous sections. The diversity index is 61.5/100, and about 48.7% of people in the tract are married.

Employment: Data show a 3.1% unemployment rate within the Census tract, which is influenced by the recession and inflation rates.

Income: Data shows a median household income of \$69k which is among the lowest when compared to other Fund investments. Data show high-paying jobs are within a 20-min drive.

Education: Approximately 32.4% of the local population has a college degree (or higher), while school enrollment statistics stand at 70.1% which is high.

Affordability: Median gross rent is approximately \$1,105, the lowest in the portfolio. The housing vacancy rate of about 12.2% is the lowest. Affordability for the project's units was modeled based on other similar projects in the area.

Health: There are about 8.1% of people under the age of 65, in the Census tract living with a disability, which is higher than other Census tracts for investments in the portfolio.

Tenant Engagement: A portion of the homes are currently under construction and there are no existing tenants. Once completed, the project will offer an extensive array of amenities for residents, as detailed above. Currently, the tenant's portal in use is J Turner whereby feedback from tenants is acquired from surveys. Tenants have rated Cadence properties as a 5-star destination on Google.

GOVERNANCE

The project is 100% owned by the Fund and is being developed in-house by the GTIS team. The land parcel was acquired from a prior fund sponsored by GTIS, following a fully marketed process to obtain third-party price discovery. Investors of both the selling and the acquiring fund approved the transaction before closing, according to GTIS affiliate transaction guidelines. The GTIS team handles the development of the project and has engaged an unaffiliated property manager to run the operations once construction is completed.



EMPLOYEE SATISFACTION INDICATORS

GTIS performs an anonymous employee satisfaction survey at least once every year. The surveys from 2018 through 2021 were conducted through Peakon, an independent consultant based in the United Kingdom which is sent to all GTIS employees. The results of the survey are detailed in the table below:

Exhibit 1. Employee satisfaction indicators

| Year | Employees Covered (%) | Survey Response Rate (%) | Employee Engagement Score (%) ⁹ |
|------|-----------------------|--------------------------|--|
| 2018 | 100 | 80 | 72 |
| 2019 | 100 | 82 | 73 |
| 2020 | 100 | 94 | 70 |
| 2021 | 100 | 92 | 87 |

The information from the Employee Satisfaction Survey was consolidated into a comprehensive presentation for the partners encompassing all GTIS departments. This presentation included areas with strong positive feedback as well as areas with a potential improvement. The action was taken in 2021 to address specific concerns and improve employee satisfaction from the prior year's survey. Another version of the survey is shared with all firm employees.

During the global COVID-19 pandemic in 2020, several other surveys were sent to employees to gauge their wellbeing, preferences for work arrangements and potential additional resource needs to work safely and effectively.

⁹ Employee Engagement Score: This is the average score given by survey respondents in response to the main engagement question above (and outcome questions, where applicable). Engagement is a measure of how committed to and enthusiastic employees are about their work and the organization. When people are engaged, they feel more comfortable being themselves at work. Varied factors contribute to employee engagement, including organizational culture, work environment, work relationships, and development opportunities.

EMPLOYEE SAFETY INDICATORS

GTIS also monitors the safety indicators of employees, at least every three years. In 2021, each GTIS office held two self-inspections to ensure that safety measures were up to par.

In addition, compliance posters were available in every office in the US, in public areas, informing employees of their right to know should there be hazardous or toxic material in the office. These compliance posters also indicate that under OSHA regulation, employers are obligated to provide employees with a safe place to work and that employees are protected should they need to report any unsafe acts. Finally, at least twice a year the US and São Paulo offices, alongside building management, hold fire and emergency evacuation drills. This provides training to all employees on what to do should there be a fire or an emergency in the office.

Below is a summary of the Employee Safety Indicators:

Exhibit 2. Employee safety indicators

| Year | Workstation and Workplace Checks (%) | Absentee Rate (%) | Lost Day Rate (%) ¹⁰ |
|------|--------------------------------------|-------------------|---------------------------------|
| 2018 | 100 | 1 | 0 |
| 2019 | 100 | <1 | 0 |
| 2020 | 100 | <1 | 0 |
| 2021 | 100 | <1 | 0 |

EMPLOYEE HEALTH PROGRAMS

Physical and/or mental health checks are regularly provided to GTIS employees with up to three in-person counseling visits per year with a local counselor for select GTIS offices¹¹. Through the GTIS Health Advocate program, employees can access guidance from an independent Personal Health Advocate (PHA) to navigate complex medical conditions, find specialists, clarify insurance coverage, and negotiate medical bills. Employees in the US have access to discounted fitness center memberships to more than 8,000 fitness centers nationwide¹². All GTIS employees are covered under a comprehensive health plan which includes health, dental and vision insurance, and benefits¹³. Employees also receive short-term and long-term disability insurance, as well as life insurance, covered by GTIS¹⁴.

¹⁰ Lost Day Rate: A measure of the impact of occupational accidents and diseases as reflected in time off work by the affected workers. It is expressed by comparing the total workdays lost due to occupational injury to the total number of hours scheduled to be worked by the workforce during the reporting period.

¹¹ Service provided by Careplus/Personal for GTIS Brazil offices

¹² Services provided through Cigna Active & Fit Direct & Healthy Rewards programs

¹³ Employees may opt out in some cases where they are already covered by their spouse or parent's insurance. US employees are covered by Cigna for health and Guardian for dental and vision. Employees in Brazil are covered by Omint for health and dental.

¹⁴ Service provided by Prudential

GTIS employees in the New York and Brazil offices are provided with various physical and mental health programs. The flu shot is administered every year to most of the US workforce. All employees are provided with unlimited telephonic counseling with an Employee Assistance Program (“EAP”) counselor who can help with work-life balance topics such as education, dependent care, lifestyle and fitness management, career development, as well as legal and financial matters. Up to three in-person EAP sessions are provided free of charge¹⁵.

Exhibit 3. Employee health indicators

| Year | Employees Covered (%) |
|------|-----------------------|
| 2018 | 100 |
| 2019 | 100 |
| 2020 | 100 |
| 2021 | 100 |

Additional actions are taken by GTIS to improve the health and well-being of employees, through acoustic comfort, indoor air quality, thermal comfort, water quality, lighting controls, and sunlight, and improved social interaction with frequent corporate sponsored gatherings.

INCLUSION AND DIVERSITY

GTIS strives to maximize inclusion and diversity in its workforce, as well as in the projects it invests in. Please see below a summary of employee diversity as of the reporting date using a self-identification method:

Exhibit 4. Employee Diversity

| Ethnicity | 2021 | | 2020 | | 2019 | |
|---------------------------|----------------|-------------|----------------|-------------|----------------|-------------|
| | Employee Count | Employee % | Employee Count | Employee % | Employee Count | Employee % |
| Asian | 11 | 13% | 8 | 10% | 8 | 9% |
| Black or African American | 2 | 2% | 3 | 4% | 3 | 3% |
| Hispanic or Latino | 20 | 24% | 22 | 26% | 20 | 23% |
| White | 49 | 58% | 49 | 58% | 55 | 63% |
| Other/Undisclosed | 3 | 4% | 2 | 2% | 2 | 2% |
| Total | 85 | 100% | 84 | 100% | 88 | 100% |

GTIS prides itself on prioritizing diverse hiring practices. We continue to work toward building an environment that represents the world we live in. Over the past three years, 30% of our new hires were female and 40% were minorities. Similarly, over the past three years, GTIS has averaged promoting 42% of women and 47% of minorities. Thus, in a combined effort, we have averaged hiring 55% of women and minorities over the past 3 years and have promoted 68% of women and minorities.

Exhibit 5. Employee Diversity

| Gender | Employee Count | % |
|-------------------|----------------|-------------|
| Male | 50 | 59% |
| Female | 35 | 41% |
| Undisclosed/Other | 0 | 0.0% |
| Total | 85 | 100% |

DISCLAIMERS AND LIMITATIONS

1. Demographic data is provided by respective third-party data sources such as the US Census and the CDC. As such GTIS Partners (“GTIS”) is not making any claim for accuracy, nor is GTIS responsible for any errors or inconsistencies in the information provided.
2. Most of the contained data is provided by the last available US Census which was last published in 2010 in many cases. As such, the statistics presented may not be consistent with area conditions as of the date of this report.
3. Population data may refer to the latest available US Census (2020) or 5-year projections by the Census in some cases. Data by Location, Inc. may refer to proprietary technology or projections based on proprietary algorithms. GTIS makes no claims to the accuracy or the reliability of these projections.
4. All information is presented at the Census tract level unless otherwise noted. “Micro-Level” denotes information highly specific to the block or cluster of 1-2 blocks for the specific address.
5. “NA” is denoted where data is not readily available.
6. “High Paying Jobs” refers to full-time jobs with salaries of \$75k or greater.
7. Data Sources - data is provided by a mix of private companies and national charitable organizations. Additional information is available upon request.
8. Please refer to the [“About the Data”](#) section of the CoreLogic website for assumptions and additional information on the Neighborhood Scout or Location, Inc platforms. The information represents local Census tract data in most cases.
9. Physical Risk
 - a. Data is provided by Four Twenty-Seven, a third-party climate hazard expert. Assessments rely on an index screening methodology to identify facilities that are particularly exposed to climate hazards. Facilities are scored for a range of climate-related risks on a scale of 0 (low risk) to 100 (high risk).
 - b. Four Twenty-Seven’s criteria for this analysis include detailed climate hazard projections that measure the relative degree of change in extreme events such as intensity and frequency of rainfall, high temperatures, historical cyclone activity, coastal flooding, drought and water stress, and wildfire potential.
 - c. The analysis focuses on extreme weather impacts (e.g., tropical cyclones) at the time of the report, as well as other climate impacts at a mid-term projection period, 2030-2040.
 - d. Benchmark scores and measure values are provided showing the average exposure of other sites in the relevant country, leveraging Four Twenty-Seven’s global database of corporate and real estate facilities, with other reference universes available.

10. Photos, site plans, amenities, and other project renderings or details contained herein are projections and are subject to change. This report contains the most recent projected renderings for projects, which are subject to change due to physical limitations, government approvals, budgetary limitations, and changing market demands. Potential tenants or owners should rely on the most recent marketing materials received from licensed real estate brokers in their respective regions. GTIS makes no assurance or guarantees that the information contained herein will be consistent with final project deliveries, and this report should not be utilized as a marketing document or offering for sale under any circumstances.
11. The Fund intends to elect to be treated as a Qualified Opportunity Fund ("QOF") under §1400Z of the IRC. The purpose of the QOF is to invest in real estate assets within qualified opportunity zones ("QOZs"). A QOZ is a low-income urban, suburban, or rural community where new investments, under certain conditions, may entitle eligible investors to receive preferential tax treatment. Such benefits may include the deferral of capital gains tax when such gains are invested into a QOF, a step-up in tax basis effectively reducing the deferred capital gain to be recognized, and exclusion of taxes on capital gains on the QOZ investments. The legal construct of a QOZ was created through the U.S. tax code by the Tax Cuts and Jobs Act which was signed into law on December 22, 2017. The Fund was formed to benefit from the QOZ program and intends to conduct its operations so that it will be treated as a QOF. However, no assurances can be provided that the Fund will qualify as a QOF or that, even if it does qualify, any or all the tax benefits will be available to any investor in the Fund. Additional regulations or administrative guidance may require the Board to change the structure, investment strategies, and/or practices of the Fund to permit the Fund to qualify as a QOF.
12. Additional data on any of the information contained in this report is available upon request to Fund investors.
13. GRESB is the global ESG benchmark for financial markets. GTIS pays an annual fee to be a GRESB member and participants in GRESB's annual real estate assessment, for certain GTIS fund vehicles, which provides an overall score and benchmark report for various ESG and sustainability categories. GTIS pays a consultant annually to assist in the GRESB reporting. Please see <https://gresb.Com/nl-en/products/real-estate-assessments/> for more information on the GRESB real estate assessment and please contact GTIS for additional details regarding score reports issued to participating funds.