

TANGIBLE WEALTH SOLUTIONS

CHARACTER, CLASS, INTEGRITY

Fee Simple Donations

What are Fee Simple Donations?

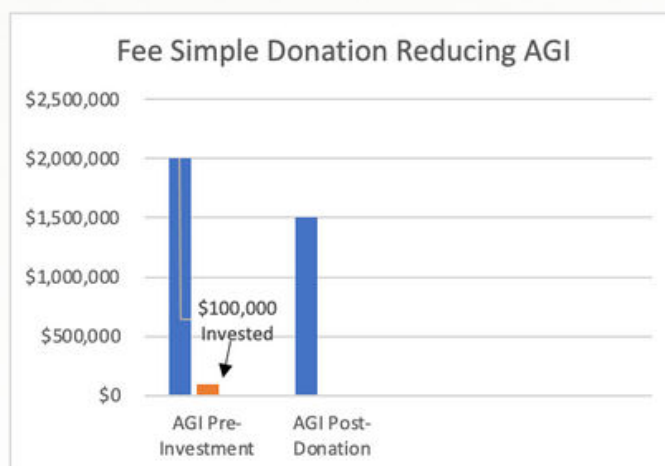
A Fee Simple Donation of real estate refers to the transfer of ownership of a property with the full bundle of property rights to a recipient or organization without the exchange of monetary consideration. In a Fee Simple Donation, the donor voluntarily gives up their ownership rights to the property and transfers them to the recipient.

How They Work

- Under 170(a) of the Code, a taxpayer may donate real property to a qualified organization.
- If the taxpayers elect to utilize an applicable charitable contribution of capital gain property, taxpayers may claim up to 30% of their contribution base for that same taxable year.
- The excess aggregate of the contribution base will be treated as a charitable contribution for up to five (5) succeeding taxable years.
- In the context of a Fee Simple Donation involving undeveloped land, investors can benefit from IRS incentives for contributing land that might have appreciated in value through development. By contributing land before it realized its potential appreciation, investors have the opportunity to leverage a 5X multiplier on their initial investment. This approach allows them to significantly reduce their Adjusted Gross Income (AGI) while supporting charitable endeavors.

Example

- An investor invests \$100,000 in the fund, and a majority of stakeholders in the land vote to complete a charitable Fee Simple Donation of the undeveloped land.
- The \$100,000 is multiplied by 5 to \$500,000 to reward the investor for donating land that could have had upside in the future if development occurred.
- The investor is now able to reduce their AGI by \$500,000, up to 30% of their AGI.
- Someone with an AGI of \$2,000,000 would be reducing their taxable income by \$500,000 down to \$1,500,000.





Important Disclosures

The contents of this communication: (i) do not constitute an offer of securities or a solicitation of an offer to buy securities, (ii) offers can be made only by the confidential Private Placement Memorandum (the "PPM") which is available upon request, (iii) do not and cannot replace the PPM and is qualified in its entirety by the PPM, and (iv) may not be relied upon in making an investment decision related to any investment offering by an issuer, or any affiliate, or partner thereof ("Issuer"). All potential investors must read the PPM and no person may invest without acknowledging receipt and complete review of the PPM. With respect to any "targeted" goals and performance levels outlined herein, these do not constitute a promise of performance, nor is there any assurance that the investment objectives of any program will be attained. All investments carry the risk of loss of some or all of the principal invested. These "targeted" factors are based upon reasonable assumptions more fully outlined in the Offering Documents/ PPM for the respective offering. Consult the PPM for investment conditions, risk factors, minimum requirements, fees and expenses and other pertinent information with respect to any investment. These investment opportunities have not been registered under the Securities Act of 1933 and are being offered pursuant to an exemption therefrom and from applicable state securities laws. All offerings are intended only for accredited investors unless otherwise specified. Past performance are no guarantee of future results. All information is subject to change. You should always consult a tax professional prior to investing. Investment offerings and investment decisions may only be made on the basis of a confidential private placement memorandum issued by Issuer, or one of its partner/issuers. Issuer does not warrant the accuracy or completeness of the information contained herein. Thank you for your cooperation.

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Real Estate Risk Disclosure:

- There is no guarantee that any strategy will be successful or achieve investment objectives including, among other things, profits, distributions, tax benefits, exit strategy, etc.;
- Potential for property value loss – All real estate investments have the potential to lose value during the life of the investments;
- Change of tax status – The income stream and depreciation schedule for any investment property may affect the property owner's income bracket and/or tax status. An unfavorable tax ruling may cancel deferral of capital gains and result in immediate tax liabilities;
- Potential for foreclosure – All financed real estate investments have potential for foreclosure;
- Illiquidity – These assets are commonly offered through private placement offerings and are illiquid securities. There is no secondary market for these investments.
- Reduction or Elimination of Monthly Cash Flow Distributions – Like any investment in real estate, if a property unexpectedly loses tenants or sustains substantial damage, there is potential for suspension of cash flow distributions;
- Impact of fees/expenses – Costs associated with the transaction may impact investors' returns and may outweigh the tax benefits
- Stated tax benefits – Any stated tax benefits are not guaranteed and are subject to changes in the tax code. Speak to your tax professional prior to investing.

Oil and Gas Investment Risks

Private investments in oil and gas are high risk, including, but not limited to the following considerations:

Political Risk – Federal or local governments could enact regulations/legislation that could adversely affect the oil and gas industry, thereby negatively affecting your investment.

Geological Risk – Oil and gas production can be negatively affected by the difficulty of extraction and the possibility that the accessible reserves in any deposit will be smaller than estimated. There is no guarantee that any drilling operation will be successful.

Supply, Demand, and Price Risk – A reduction in oil and gas prices, a decrease in demand, or a surplus of available supply can reduce or even eliminate investment returns.

Cost Risk – Unexpected or increased operating expenses can reduce or even eliminate investment returns.

Dividend Cuts – Any dividend payments can be reduced or eliminated if the company is unable to earn enough revenue to fund the payments to investors.

Oil Spill Risk – In addition to the cost of repairs, clean up, potential fines, and potential litigation, oil spills can negatively affect the reputation of the company, all of which can reduce or eliminate investment returns.