



ORIGIN QOZ FUND

10 Most Frequently Asked Questions



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PG. 2

1. What are the QOZ tax benefits?

Accredited investors who invest capital gains realized from a prior investment into the QOZ Fund will be eligible for the QOZ tax benefits. Per Qualified Opportunity Zone regulations, eligible QOZ Fund investments must be made within 180 days from when the investor realized the prior capital gain for tax purposes.

After investing a capital gain from a prior investment into the QOZ Fund, investors will be able to defer taxes on that capital gain through December 31, 2026. The deferred tax liability on this capital gain will be reduced by 10% if the investor has been in the QOZ Fund for at least five years by December 31, 2026. This tax liability will be reduced by an additional 5% if the investor has been in the QOZ Fund for at least seven years by December 31, 2026.

For investors to receive the full 15% reduction to their deferred tax liability on the capital gain they invested in the QOZ Fund, they will need to be invested in the QOZ Fund by December 31, 2019. Investors will be exempt from paying federal taxes on capital gains achieved by the QOZ Fund if they are invested in the Fund for at least 10 years. Refer to the Origin QOZ Fund Summary document for more details related to QOZ tax benefits. This document can be downloaded from the QOZ Fund page in your online Origin account. You can [register for an Origin account here](#).

2. What investments will the QOZ Fund target?

The QOZ Fund targets long-term and tax-efficient capital appreciation through ground-up real estate development projects that have viable risk and return characteristics, prior to factoring in the QOZ tax benefits. These developments are deals we would do regardless of tax incentives and are located within already-transforming neighborhoods that are in the path of growth. The QOZ Fund has a build-to-core strategy, meaning the Fund will develop properties from the ground-up and then continue to hold the properties as stabilized core assets for a minimum of 10 years. Said differently, the Fund will assume development risk in its early years, which will then trend to a lower risk-profile consistent with owning stabilized core real estate assets as development projects are completed. We expect that 70% or more of the minimum investor hold period (10 years) will be ownership of the stabilized properties.



ORIGIN QOZ FUND

10 Most Frequently Asked Questions

—

PG. 3

3. Will the QOZ Fund acquire assets solely or in joint ventures?

The QOZ Fund may enter into joint ventures or other co-investment opportunities with third parties. Joint ventures may allow the Fund to access unique resources and expertise of partners, gain access to projects and assets that it would not otherwise have, acquire assets at prices lower than they would transact in a marketed process, and share the risk of an investment with such partners. In situations in which the Fund enters into a joint venture, Origin will conduct an extensive analysis of each prospective partner's management organization, their performance of prior or existing transactions, and their current and past borrowing relationships. The Fund will retain substantive management and control rights in any joint venture vehicle.

4. What is the target Fund size? How many investments will be in the Fund?

The Fund is not targeting a certain size or number of investments. The Fund's ultimate size will be based on our ability to identify and win investment opportunities in our target markets that meet the Fund's risk and return objectives and provide a diversified portfolio of QOZ investments. Each Fund investor will have a pro rata share of every investment in the Fund's portfolio.

5. What is the Fund's target return?

The Fund's objective is to deliver a 2.5x net equity multiple to investors over a 10-year hold period. Returns will be generated through both capital appreciation and property level cash flow.

6. When can I expect to start receiving distributions?

Distributions will be made at Origin's sole discretion after we begin to complete construction and stabilize properties. Distributions will come from operating cash flow, property refinance proceeds, and property sale proceeds. There will be no distributions during the first 3-4 years from the Fund's inception, as most or all properties will be under construction during this time frame.



ORIGIN QOZ FUND

10 Most Frequently Asked Questions

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PG. 4

7. Will my distributions be taxable?

The Fund is structured as a partnership for tax purposes, which is not subject to fund-level taxes. Rather, each investor is taxed based on their pro rata share of taxable income or loss passed through to them based on their pro rata ownership of the Fund. We expect property depreciation and other tax-deductible expenses to partially or fully offset taxable distributions from operating cash flow. QOZ Fund distributions from refinance proceeds are considered "debt-financed" distributions, which are considered a return of invested capital and not taxable. Per Qualified Opportunity Zone regulations, investors are exempt from federal taxes on capital gains resulting from property sale proceeds if the investor is in the Fund for at least 10 years. We recommend that you consult your tax advisor for further information on specific tax implications since each investor's tax situation is different.

8. What are the fees and how do they impact the value of my investment in the QOZ Fund?

One-Time Up-Front Administrative Fee:	0.0% - 2.0% of Committed Equity*
Annual Asset Management Fee:	1.25% of Net Asset Value
Acquisition Fee:	0.5% of Asset Purchase Price
Performance Fee:	15.0% after 7.0% Preferred Return Hurdle (50/50 Manager Catch-Up)

*One-Time Up-Front Administrative Fee Based on Commitment Size

\$50,000 - \$249,999:	2.0%
\$250,000 - \$999,999:	1.0%
\$1,000,000 - \$4,999,999:	0.5%
\$5,000,000 or More:	0.0%



ORIGIN QOZ FUND

10 Most Frequently Asked Questions

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PG. 5

9. Does the QOZ Fund provide any liquidity mechanism for investors and how is the net asset value of my investment determined?

Liquidity (redemption) will be provided on a best-efforts basis upon investor request after the investor has been invested in the QOZ Fund for at least 10 years. Redemption value will be determined by applying the investor's pro rata share of the QOZ Fund to the Fund's net asset value during the calendar quarter that redemption is provided. The net asset value of the QOZ Fund will be calculated by the Origin Investments Asset Management team as of the last day of each calendar quarter by utilizing industry best practice valuation methods. The QOZ Fund and its associated net asset value will be audited by a third-party accounting firm each calendar year.

10. What do I need to do to invest? And how does the funding process work?

The first step to making an investment in the QOZ Fund is to notify Origin by clicking the "Indicate Interest" button on the QOZ Fund page in your online Origin account. You can [register for an Origin account here](#). Your dedicated Origin investment contact will then walk you through the commitment process which involves electronically completing a subscription agreement and verifying your status as an accredited investor. Origin may also need certain additional documents if you plan to invest through a Trust, LLC, Corporation, or other related entity.

After you complete the subscription process, you will lock in your place in the investor funding queue. Timing of how long you will be in the queue could range from zero to several months depending on variables such as timing of when you subscribe and how many investors are in front of you in the queue. Your dedicated investment contact will keep you updated on the estimated timing of when your capital call may occur, and Origin will call 100% of your commitment amount via a single capital call. Investors will be given at least seven business days to fund their capital call once it is issued.