



Discover the Tax Advantage of Opportunity Zones





Opportunity Zones Connect Private Capital with Economic Growth

Opportunity zones were created as part of the Tax Cuts and Job Acts of 2017 to stimulate long-term private investments in low-income urban and rural communities. By providing tax benefits, opportunity zone investments promote economic growth in qualified opportunity zones. In 2022, qualified opportunity zone funds raised nearly \$10 billion in equity, bringing the cumulative investment to over \$34 billion.¹ This has generated an enormous amount of economic activity nationwide.

TAX ADVANTAGES THAT GROW WITH TIME

Qualified opportunity zone fund (QOF) investments can provide tax deferral and the potential for permanent elimination of capital gains taxes.



INITIAL
TAX
DEFERRAL

December 31, 2026:
Recognize capital gains taxes on original capital gain invested in QOF

April 15, 2027:
Pay taxes on original deferred capital gains

COMPLETE
ELIMINATION



Year 1:
Invest capital gains in a QOF within 180 days

Year 10:
All capital gains taxes on profits from QOF investment are eliminated

Source: 1. Novogradac, 2023.

QOF = Qualified Opportunity Zone Fund

Capital gains from the sale of any type of appreciated asset can be reinvested in a QOF to achieve tax deferral and exclusion of capital gains taxes.

CAPITAL GAINS MAY HAVE RESULTED FROM THE SALE OF ANY ASSET, INCLUDING:



Stocks



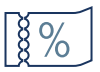
Bonds



Mutual funds



Real estate



Business sale



Other assets



Art



Bitcoin

HOW TO INVEST

- Invest capital gains from a sale in a QOF within 180 days.



On your tax return, indicate that capital gains from your sale were invested in a QOF.

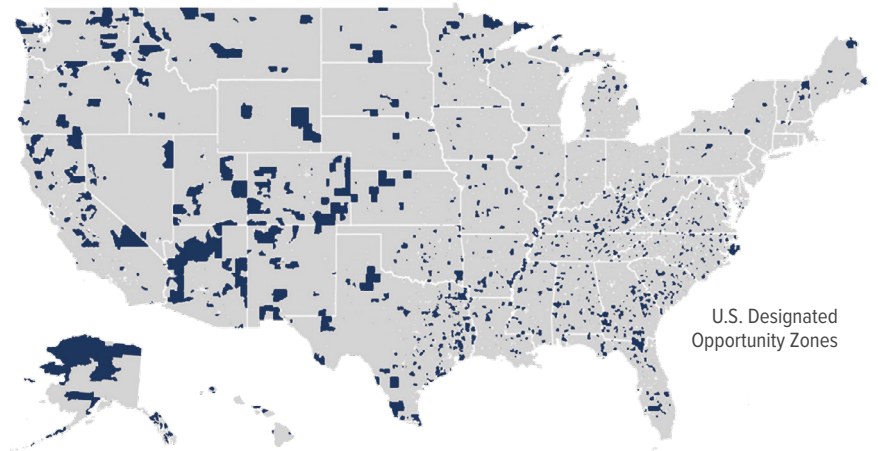


Designed to Promote Economic Growth

The governor of each state and five U.S. territories designated up to 25% of eligible census tracts as a qualified opportunity zone, resulting in nearly 9,000 active opportunity zones across the country.

QUALIFIED OPPORTUNITY ZONE FUNDS MAY INVEST IN:

- Real property, including land, real estate developments, renovations or repositioning
- Businesses
- Equipment



*90% of assets in a QOF must be invested in qualified opportunity zone property.

ABOUT CAPITAL SQUARE

Capital Square is a national real estate firm specializing in tax-advantaged real estate investments, including Delaware statutory trusts (DSTs) for Section 1031 exchanges, qualified opportunity zone funds, development funds and a real estate investment trust (REIT). In recent years, the company has become an active developer of mixed-use multifamily properties in the southeastern U.S., with ten current projects totaling approximately 2,000 apartment units, with a total development cost in excess of \$800 million. Since 2012, Capital Square has completed more than \$7.9 billion in transaction volume. Capital Square's related entities provide a range of services, including due diligence, acquisition, loan sourcing, property/asset management and disposition, for a growing number of high-net-worth investors, private equity firms, family offices and institutional investors nationwide.

Consider the Risks:

Securities offered through WealthForge Securities, LLC, member FINRA/SIPC. Capital Square and WealthForge are not affiliated.

Always remember that each property is unique and past performance is no guarantee of future results. Real estate-related investments involve substantial risks.

There are tax risks associated with an investment in the Investor Units, including the possibility that government regulations regarding Opportunity Zone investments may change.

Information about properties must be read in conjunction with the confidential private placement memorandum for each Opportunity Zone Fund, which contains additional important risk disclosures and more specific information about each Fund. This is neither an offer to sell nor a solicitation of an offer to buy an Opportunity Zone Fund and is for educational purposes only. Prospective investors should consult their own tax advisors to evaluate the tax consequences of an Opportunity Zone Fund interest.

Investor Units do not represent a diversified investment because each of the Opportunity Zone Funds' activities will be limited to the Property. Although Capital Square and its affiliates have extensive experience in acquiring, improving and operating commercial real estate, Opportunity Zone Funds and the Manager were recently organized and do not have an operating history or significant assets. Investors will rely solely on the Manager to manage a particular Fund and the Property; the Manager will have broad discretion to make decisions regarding the Property. There are substantial risks associated with developing the Property in an economically disadvantaged, qualified opportunity zone that permits investors in a Fund to qualify for available Opportunity Zone Tax Benefits. A Fund may not make capital distributions until the sale or refinancing of the Property, if at all. Funds will pay substantial fees to the Manager and its affiliates (including CS Development). The Investor Units will be highly illiquid; transferability of the Investor Units is restricted and withdrawals of capital contributions are prohibited. Substantial actual and potential conflicts of interest exist among the Funds, the Manager, Capital Square, CS Development and their affiliates. An investor could lose all or a substantial portion of his investment in any of the Funds. There are tax risks associated with an investment in the Investor Units, including the possibility that government regulations regarding Opportunity Zone investments may change. Private placements are speculative.