
# UMH PROPERTIES, INC.

(the "**Company**")

## Listing Document

Listing for trading of (i) 51,971,076 outstanding shares of common stock, par value $0.10 per share ("**Common Stock**"), of the Company, (ii) 5,703,620 shares of Common Stock issuable upon the exercise of 3,303,620 outstanding stock options and 2,400,000 stock options that may be granted under the Company's Amended and Restated 2013 Incentive Award Plan described in Section 12.2 below, (iii) 29,879,332 shares of Common Stock issuable upon conversion of the Company's outstanding Series C Cumulative Redeemable Preferred Stock, par value $0.10 per share ("**Series C Preferred Stock**"), under certain circumstances as described in Section 13.12 below, (iv) 29,995,433 shares of Common Stock issuable upon conversion of the Company's outstanding Series D Cumulative Redeemable Preferred Stock, par value $0.10 per share ("**Series D Preferred Stock**"), under certain circumstances as described in Section 13.20 below, and (v) 4,500,000 shares of Common Stock issuable pursuant to the Company's Dividend Reinvestment and Stock Purchase Plan described in Section 17.3 below. Said listing shall be effective upon, and subject to, the closing of the public offering of the Company's Series A bonds on the Tel Aviv Stock Exchange ("**TASE**"). The issuance and listing of additional shares from time to time in the future will be subject to the approval of the TASE at such time.

The Common Stock, as well as the Company's Series C Cumulative Redeemable Preferred Stock and it Series D Cumulative Redeemable Preferred Stock (jointly, the "**Preferred Stock**"), of the Company are listed for trading in the United States on the New York Stock Exchange ("**NYSE**").

Common Stock Ticker Symbol on NYSE: UMH

Expected Common Stock Ticker Symbol on TASE: UMH (English), יואמ (Hebrew)

**The Company's securities are to be listed for trading in accordance with the provisions of Chapter E3 of the Israel Securities Law-1968 (the "Securities Law"); accordingly, the Company's reports shall be in English and their contents shall be in accordance with the reporting regime of the United States. According to a ruling of the Israeli Supreme Court, liability for the Company's reports will also be subject to U.S. legal standards.**

Date of Listing Document: February 6, 2022

**Table of Contents**

**Part One – General**

1. **Company Name**: UMH Properties, Inc. (formerly United Mobile Homes, Inc.)

2. **Place of Incorporation**: Initially State of New Jersey, USA; State of domicile changed to State of Maryland, USA by merger of the Company with and into its wholly-owned subsidiary on September 29, 2003.

3. **Incorporation Date**: November 15,1968 (predecessor entity).

4. **Name of Exchange on which Securities are Listed**: NYSE (included in the Second Annex to the Securities Law's list of approved exchanges).

5. **Initial Listing Date of Securities**: Common Stock, initially listed for trading on the American Stock Exchange on January 5, 1994.

6. **Company Address Details**:

   6.1 **Address**: Juniper Business Plaza, 3499 Route 9, Suite 3C, Freehold, New Jersey 07728 USA

   6.2 **Address of Registered Agent**: 7 St. Paul Street, Suite 820, Baltimore, Maryland 21202

   6.3 **Telephone and Fax in Israel**: c/o Goldfarb Seligman & Co. Law Offices, Telephone: 03-608-9999, Fax: 03-608-9909

   6.4 **Telephone and Fax Abroad**: Telephone: +1 (732) 577-9997; Fax: +1 (732) 577-9980

7. **Stock Ticker Symbol**:

   7.1 NYSE: UMH

   7.2 TASE: UMH (English), יואמ (Hebrew)

8. **Company Contact Persons**:

   8.1 **Contact Person for Foreign Statutory Supervisory and Enforcement Agencies and Contact Details**:

   Name: Craig Koster, General Counsel

   Address: Juniper Business Plaza, 3499 Route 9, Suite 3C, Freehold, New Jersey 07728, USA

   8.2 **Address for Mail and Service of Court Documents**:

   For mail, see Section 8.1.

For service of court documents:

98 Yigal Alon St., Tel-Aviv 6789141
Attn: Goldfarb Seligman & Co. Law Offices
Telephone: 03-608-9999, Fax: 03-608-9909

8.3 **Contact Persons for the Israel Securities Authority ("ISA")**: Adv. Hod Mimun and Adam Klein of Goldfarb Seligman & Co. Law Offices

8.4 **Address of Contact Person in Israel**: Goldfarb Seligman & Co. Law Offices, 98 Yigal Alon St., Tel-Aviv 6789141

8.5 **Telephone and Fax of Contact Person in Israel**: Telephone: 03-608-9999, Fax: 03-608-9909

8.6 **Transfer Agent (Name and Contact Details)**: American Stock Transfer & Trust Company, LLC, +1 (877) 715-0504

9. **Classes of Shares in Authorized Share Capital**:

9.1 Common Stock, par value $0.10 per share

9.2 Preferred Stock, par value $0.10 per share

9.3 Excess Stock, par value $0.10 per share (the "**Excess Stock**")

10. **Authorized Share Capital**:

10.1 170,413,800 shares, consisting of (i) 144,164,469 shares of Common Stock, (ii) 199,331 shares of Series B Cumulative Redeemable Preferred Stock, (iii) 13,750,000 shares of Series C Preferred Stock, (iv) 9,300,000 shares of Series D Preferred Stock and (v) 3,000,000 shares of Excess Stock.

10.2 The Company undertakes that, so long as its Common Stock is listed on the TASE, (i) the Company will not issue shares of a class different from the class listed on the TASE, except as permitted under Section 46B of the Securities Law (e.g., non-voting preferred stock), as amended from time to time, and (ii) all of its outstanding shares will be fully paid. This undertaking prevails over the authority of the Company to issue shares of various classes according to the laws of the State of Maryland and the Company's charter and bylaws.

11. **Issued Share Capital**:

11.1 As of January 7, 2022, there were 51,971,076 shares of Common Stock, 9,884,000 shares of Series C Preferred Stock and 8,608,740 shares of Series D Preferred Stock outstanding, none of which were considered "restricted securities" under the rules of the U.S.

Securities and Exchange Commission (the "**SEC**") and all such shares of Common Stock were freely tradeable, i.e., with no restrictions on trade (other than restrictions that may be applicable to shares held by Company affiliates). On a fully diluted basis, i.e., taking into consideration all outstanding options issued by the Company and assuming conversion of all outstanding Preferred Stock into the maximum number of shares of Common Stock, the total issued common share capital of the Company was 115,149,461 shares of Common Stock as of January 7, 2022.

11.2 No shares of Excess Stock are outstanding.

11.3 The Company owns no treasury shares.

12. **Convertible Securities**:

Redeemable Preferred Stock

12.1 The Series C Preferred Stock and Series D Preferred Stock (which will not be listed on the TASE) are convertible into Common Stock under the limited circumstances set forth below in Section 13.20 and Section 13.28, respectively, if the Common Stock is delisted or ceases to be publicly traded as described therein.

UMH Properties, Inc. Amended and Restated 2013 Incentive Award Plan

12.2 The Company's Amended and Restated 2013 Incentive Award Plan (formerly the 2013 Stock Option and Stock Award Plan) (the "**Incentive Plan**") authorizes the grant of qualified or nonqualified[1] Common Stock options or any combination thereof, to the Company's independent directors, officers, advisors, consultants and other personnel. The Incentive Plan is administered by the Company's Compensation Committee. All of the shares issuable under the Incentive Plan have been registered on Form S-8 filed by the Company with the SEC; the most recent such Form S-8 was filed on July 9, 2021. Accordingly, the shares issuable upon exercise of options shall be freely tradable (subject to restrictions that may be applicable to shares held by Company affiliates).

12.3 A total of 5,703,620 shares of Common Stock were reserved for issuance upon exercise of options under the Incentive Plan, of which 3,303,620 stock options were issued and outstanding as of January 7, 2021. As of February 3, 2022, there were approximately 2,400,000 shares available for future awards under the Incentive Plan.

Common Stock At-the-Market (ATM) Program

[1] This means that the holders of the options are not entitled to receive beneficial tax treatment under U.S. law, as opposed to "incentive stock options."

12.4 On August 16, 2021, the Company entered into an Equity Distribution Agreement with BMO Capital Markets Corp., B. Riley FBR, Inc., Compass Point Research & Trading, LLC, Janney Montgomery Scott LLC, and J.P. Morgan Securities LLC, as distribution agents, whereby the Company may offer and sell shares of the Company's Common Stock through these entities, from time to time, pursuant to an ATM equity offering program, through these distribution agents. The Common Stock issued under the Equity Distribution Agreement is registered pursuant to the Company's registration statement on Form S-3 (Registration No.333-238321). The Company commenced the sales under this program on August 24, 2021. Under this program, through January 5, 2022, 4,274,869 shares of Common Stock were issued and sold at a weighted average price of $24.34 per share, generating gross proceeds of $104.0 million and net proceeds of $102.5 million, after offering expenses. No shares remain available for sale under this program.

Purchases of Equity Securities

12.5 On January 15, 2020, and again on January 13, 2021, the board of directors reaffirmed the Company's Common Stock Repurchase Program that authorized it to repurchase up to $25 million in the aggregate of the Company's Common Stock. Purchases under the repurchase program are permitted to be made using a variety of methods, which may include open market purchases, privately negotiated transactions or block trades, or by any combination of such methods, in accordance with applicable insider trading and other securities laws and regulations. The size, scope and timing of any purchases will be based on business, market and other conditions and factors, including price, regulatory and contractual requirements or consents, and capital availability. The repurchase program does not require the Company to acquire any particular amount of Common Stock and may be suspended, modified or discontinued at any time at the Company's discretion without prior notice. Through May 14, 2020, the Company repurchased approximately 174,000 shares of its Common Stock at an aggregate cost of $1.8 million, or a weighted average price of $10.50 per share. No repurchases have been made since May 14, 2020.

Stockholder Rights Plan

12.6 The Company has not adopted a stockholder rights plan ("poison pill").

13. **Primary Rights Attached to the Shares**: The Company was initially incorporated under the laws of the State of New Jersey, and later changed its state of domicile to the State of Maryland by the merger of the Company with and into its wholly-owned subsidiary and thus, is currently subject to the Maryland General Corporation Law ("**MGCL**"). **The Israeli Companies Law-1999 (the "Companies Law") does not apply to the Company**.

The following description is based on relevant portions of the MGCL and the Company's charter and bylaws. This summary is not necessarily complete, and reference is made to the MGCL and the Company's charter and bylaws for a more detailed description of the provisions summarized below. The MGCL and the Company's charter and bylaws contain provisions that could make it more difficult for a potential acquirer to acquire the Company by means of a tender offer, proxy contest or otherwise. These provisions may discourage certain coercive takeover practices and inadequate takeover bids and encourage persons seeking to acquire control of the Company to negotiate first with the board of directors.

Common Stock

13.1 Subject to the preferential rights, if any, of holders of any other class or series of the Company's stock and to the provisions of the Company's charter relating to the restrictions on ownership and transfer of its stock, the holders of the Common Stock: (i) have the right to receive ratably any distributions from funds legally available therefor, when, as and if authorized by the board of directors and declared by the Company; (ii) are entitled to share ratably in all of the assets available for distribution to holders of Common Stock upon the Company's liquidation, dissolution or winding up of affairs; (iii) have voting rights provided that the exclusive voting power for all purposes shall be vested in the holders of the Common Stock (subject to the limited voting rights granted to holders of Preferred Stock) and provided that Shares of Common Stock shall not have cumulative voting rights; and (iv) are convertible into Excess Stock under the circumstances provided in the Company's charter. Upon issuance for full payment therefor, all Common Stock issued will be fully paid and non-assessable.

13.2 There are no redemption, sinking fund or preemptive rights with respect to the Common Stock. Holders of Common Stock generally have no appraisal rights, unless the board of directors determines prospectively that appraisal rights will apply to one or more transactions in which holders of Common Stock would otherwise be entitled to exercise appraisal rights. All of the shares of Common Stock bear identical rights.

13.3 Subject to the restrictions on ownership and transfer of the Company's stock (as outlined below), holders of Common Stock are entitled to one vote per share on all matters on which holders of Common Stock are entitled to vote at all meetings of the stockholders.

13.4 Holders of Common Stock are entitled to vote for the election of directors. Directors may be removed from office, only for cause, by the affirmative vote of stockholders entitled to cast at least two-thirds of the votes entitled to be cast generally in the election of directors.

Excess Stock

13.5 The Excess Stock is designed to protect the Company' status as a REIT under the Code (as defined in Section 14.1 below) by preventing a stockholder from exceeding the ownership limits set forth in the Company's charter (see Section 14 below).

13.6 The Excess Stock does not have any voting rights, except as required by applicable law.

13.7 The Company's charter requires that any person who acquires or attempts to acquire shares of the Company's capital stock (other than shares of Excess Stock) in violation of the ownership limits set forth in the charter must give immediate written notice or, in the event of a proposed or attempted transfer, at least 15 days' prior written notice, to the Company.

13.8 If any person attempts to transfer shares of the Company's capital stock, or attempts to cause any other event to occur that would result in a violation of the ownership limits set forth in the Company's charter, then, absent special permission from the Company's board of directors, any proposed transfer will be void *ab initio* and the shares that were subject to the attempted transfer or other event will, effective as of the close of business on the business day before the date of the attempted transfer or other event, automatically be converted into and exchanged for an equal number of shares of Excess Stock.

13.9 The Company may redeem any outstanding shares of Excess Stock and, before the attempted transfer or other event that results in a conversion into and exchange for shares of Excess Stock, any shares of the Company's capital stock of any other class or series that are attempted to be owned or transferred in violation of the ownership limits, at a price equal to the lesser of the price per share paid in the attempted transfer or other event that violated the ownership limits and the last reported sales price of shares of such class of the Company's capital stock on the NYSE on the day the Company gives notice of redemption or, if shares of such class of stock are not then traded on the NYSE, the market price of such shares determined in accordance with the Company's charter.

13.10 Shares of Excess Stock will be held in book entry form in the name of a trustee appointed by the Company to hold such shares for the benefit of one or more charitable beneficiaries appointed by the Company and a beneficiary designated by the purported transferee (the "designated beneficiary"), whose ownership of the shares of the Company's capital stock that were converted into and exchanged for Excess Stock does not violate the ownership limits. The purported transferee may not receive consideration in exchange for designating the designated beneficiary in an amount that exceeds the price per share that the purported transferee paid for the shares that were converted into and exchanged for shares of Excess Stock or, if the purported transferee did not give value for such shares,

the market price of the shares on the date of the purported transfer or other event resulting in the conversion and exchange. Any excess amounts received by the purported transferee as consideration for designating the designated beneficiary must be paid to the trustee for the benefit of the charitable beneficiary. Upon the written designation of a designated beneficiary and the waiver by the Company of is right to redeem the shares of Excess Stock, the trustee will transfer the shares of Excess Stock to the designated beneficiary and, upon such transfer, the shares of Excess Stock will automatically be converted into and exchanged for the number and class of shares of our stock as were converted into and exchanged for such shares of Excess Stock.

13.11 Except as set forth in Section 13.10 above, shares of Excess Stock are not transferable. If the purported transferee attempts to transfer shares of the Company's Excess Stock before discovering that the shares have been converted into and exchanged for shares of Excess Stock, the shares will be deemed to have been sold on behalf of the trust and any amount received by the purported transferee in excess of what the purported transferee would have been entitled to receive as consideration for designating a designated beneficiary must be paid to the trustee on demand.

13.12 Upon the voluntary or involuntary liquidation, dissolution or winding up of the Company, the trustee must distribute to the designated beneficiary any amounts received as a distribution on the shares of Excess Stock that do not exceed the price per share paid by the purported transferee in the transaction that created the violation or, if the purported transferee did not give value for such shares, the market price of the shares that were converted into and exchanged for shares of Excess Stock on the date of the purported transfer or other event that resulted in such conversion and exchange. Any amount received upon the voluntary or involuntary liquidation, dissolution or winding up of the Company not payable to the designated beneficiary, and any other dividends or distributions paid on shares of Excess Stock (the Excess Stock being entitled to dividend rights equal to the dividend rights of the shares that were converted into and exchanged for the Excess Stock) will be distributed by the trustee to the charitable beneficiary.

Preferred Stock- General

13.13 Under the Company's charter, the board of directors, without stockholder approval (unless such approval is required by the terms of the class or series of the Company's capital stock), is authorized to provide for the issuance of Preferred Stock in one or more classes or series, to establish the number of shares in each class or series and to fix the terms thereof. The board of directors may authorize the issuance of additional shares of preferred stock with terms and conditions that could have the effect of discouraging a

takeover or other transaction that holders of Common Stock might believe to be in their best interests or in which holders of some, or a majority, of the shares of Common Stock might receive a premium for their shares over the then market price of such shares of Common Stock. To the extent required by the TASE, the Company will not have more than one class of Preferred Stock listed on the TASE at any time.

13.14 Some of the rights, preferences, privileges and restrictions of the Preferred Stock of a class or series may include distribution rights, conversion rights, voting rights, redemption rights and terms of redemptions and liquidation preferences.

13.15 The outstanding shares of Prefered Stock rank senior to the Common Stock with respect to the payment of distributions and any additional shares of Preferred Stock that the Company issues could rank senior to the Common Stock with respect to the payment of distributions, in which case the Company could not pay any distributions on such junior shares until full distributions for all completed dividend periods have been paid with respect to such shares of Preferred Stock.

13.16 The rights, preferences, privileges and restrictions of each class or series of shares of Preferred Stock will be fixed by articles supplementary, which will be filed with the State Department of Assessments and Taxation of the State of Maryland.

Series C Preferred Stock

13.17 Dividends: On July 26, 2017, the Company completed the initial issuance and sale of its Series C Preferred Stock. Dividends on the Series C Preferred Stock accrue from the date of issuance and are payable on a quarterly basis in an amount equivalent to 6.75% of the $25 liquidation preference per share of Series C Preferred Stock per annum. Dividends on the Series C Preferred Stock are payable quarterly in arrears on each Series C Payment Date for the related Series C Dividend Period, commencing September 15, 2017 (or, if not on a business day, on the next succeeding business day) to holders of record on the close of business on the record date set by the board of directors. No interest or additional dividend shall be payable in respect of any accrued but unpaid dividend on the Series C Preferred Stock.

13.18 Seniority: With respect to the payment of distributions, the Series C Preferred Stock ranks senior to the Common Stock and to all other equity securities ranking junior to the Series C Preferred Stock, on parity with all equity securities ranking on parity with the Series C Preferred Stock, junior to any future class or series of equity securities ranking senior to the Series C Preferred Stock and junior to any existing and future indebtedness.

13.19 Liquidation Preference: Upon a liquidation, dissolution or winding up of the Company, the holders of Series C Preferred Stock will have the right to receive $25.00 per share, plus an amount equal to all dividends accrued and unpaid (whether or not declared), if any, to, but not including, the date of payment, before any payments are made to the holders of the Common Stock or any other shares of capital stock that rank junior to the Series C Preferred Stock.

13.20 Conversion into Common Stock: Upon the occurrence of a Delisting Event or a Change of Control, as applicable, each holder of Series C Preferred Stock will have the right to convert into Common Stock some of or all the shares of Series C Preferred Stock held by the holder on a date determined by the Company's board of directors, unless, prior to the applicable conversion date, the Company has provided notice of its election to redeem shares of Series C Preferred Stock. Each share of Series C Preferred Stock will be converted in a number of shares of Common Stock equal to the lesser of: (A) the quotient of (i) the sum of the $25.00 liquidation preference per share plus the amount of accrued and unpaid dividends, if any, divided by (ii) the Common Stock Price; and (B) 3.0230 (the share cap), subject to certain adjustments as set forth in the articles supplementary of the Company.

13.20.1 For the purposes of the Series C Preferred Stock:

- "**Delisting Event**" means both (i) the Series C Preferred Stock (whether before or after July 26, 2022) is not listed on the NYSE, NYSE MKT or the NASDAQ[2] or listed or quoted on an exchange or quotation system that is a successor to the NYSE, NYSE MKT LLC or NASDAQ and (ii) the Company is not subject to the reporting requirements of the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), but any shares of Series C Preferred Stock are outstanding;

- a "**Change of Control**" occurs when, after the original issuance of the Series C Preferred Stock, the following have occurred and are continuing: (i) the acquisition by any person, including any syndicate or group deemed to be a "person" under Section 13(d)(3) of the Exchange Act of beneficial ownership, directly or indirectly, through a purchase, merger, conversion or other acquisition transaction or series of purchases, mergers, conversions or other acquisition transactions of shares of stock of the Company entitling that person to exercise more than 50% of the total voting power of all outstanding shares of stock of the

[2] For the avoidance of doubt, the Series C Preferred Stock is currenlty listed on the NYSE.

Company entitled to vote generally in the election of directors (except that such person will be deemed to have beneficial ownership of all securities that such person has the right to acquire, whether such right is currently exercisable or is exercisable only upon the occurrence of a subsequent condition); and (ii) following the closing of any transaction referred to in clause (i) above, neither the Company nor the acquiring or surviving entity has a class of common equity securities (or ADRs representing such securities) listed on the NYSE, the NYSE MKT or the NASDAQ or listed or quoted on an exchange or quotation system that is a successor to the NYSE, NYSE MKT LLC or NASDAQ;

- the "**Common Stock Price**" for any Change of Control will be (i) if the consideration to be received in the Change of Control by holders of shares of Common Stock is solely cash, the amount of cash consideration per share of Common Stock, and (ii) if the consideration to be received in the Change of Control by holders of shares of Common Stock is other than solely cash, the average of the closing price per share of Common Stock on the NYSE or NYSE MKT on the 10 consecutive trading days immediately preceding, but not including, the effective date of the Change of Control; and

- the "**Common Stock Price**" for any Delisting Event will be the average of the closing price per share of Common Stock on the NYSE or NYSE MKT on the ten consecutive trading days immediately preceding, but not including, the effective date of the Delisting Event.

13.21 Optional Redemption: The Series C Preferred Stock is not redeemable prior to July 26, 2022, except as noted below and pursuant to provisions relating to preserving the Company's qualification as a real estate investment trust ("**REIT**"). On or after July 26, 2022, the Series C Preferred Stock will be redeemable at the Company's option for cash, in whole or in part, at any time or from time to time, at a price per share equal to $25.00, plus an amount equal to all dividends accrued and unpaid (whether or not declared), if any.

13.22 Special Optional Redemption in connection with a Delisting Event: During any period of time (whether before or after July 26, 2022) that a Delisting Event shall have occurred and be continuing, the Company will have the option, subject to certain conditions, to redeem the outstanding Series C Preferred Stock, in whole but not in part, within 90 days after the Delisting Event, for a redemption price of $25.00 per share, plus an amount equal to all dividends accrued and unpaid (whether or not declared), if any.

13.23 Special Optional Redemption in connection with a Change of Control. Upon the occurrence of a Change of Control, the Company may, at its option, redeem the shares of Series C Preferred Stock, in whole but not in part and within 120 days after the first date on which the Change of Control occurred, by paying $25.00 per share, plus an amount equal to all dividends accrued and unpaid (whether or not declared), if any.

13.24 Voting: Holders of Series C Preferred Stock have only limited voting rights as described below. If dividends on any outstanding shares of Series C Preferred Stock have not been paid for six or more dividend (quarterly) periods (whether or not declared or consecutive), holders of Series C Preferred Stock and holders of any other class or series of preferred stock ranking on parity with the Series C Preferred Stock with respect to dividends and the distribution of assets in the event of the Company's voluntary or involuntary liquidation, dissolution or winding-up and upon which like voting rights have been conferred and are exercisable, and with which the holders of Series C Preferred Stock are entitled to vote together as a single class (voting together as a single class), will have the exclusive power to elect two additional directors until all accrued and unpaid dividends on the Series C Preferred Stock have been fully paid. In addition, the Company may not authorize or issue any class or series of equity securities ranking senior to the Series C Preferred Stock with respect to dividends and the distribution of assets in the event of the Company's voluntary or involuntary liquidation, dissolution or winding-up (including securities convertible into or exchangeable for any senior securities) or amend the Company's charter (whether by merger, consolidation or otherwise) to materially and adversely change the terms of the Series C Preferred Stock without the affirmative vote of at least two-thirds of the votes entitled to be cast on the matter by holders of outstanding shares of Series C Preferred Stock and holders of any other similarly-affected classes and series of preferred stock ranking on parity with the Series C Preferred Stock with respect to dividends and the distribution of assets in the event of the Company's voluntary or involuntary liquidation, dissolution or winding-up and upon which like voting rights have been conferred and are exercisable, voting together as a single class. Holders of Series C Preferred Stock will not have any voting rights in connection with any amendment, alteration or repeal or other change to any provision of the Company's charter, including the articles supplementary setting forth the terms of the Series C Preferred Stock, as a result of a merger, conversion, consolidation, transfer or conveyance of all or substantially all of the Company's assets or other business combination or otherwise, if the Series C Preferred Stock (or stock into which the Series C Preferred Stock has been converted in any successor person or entity to the Company) remains outstanding with the terms thereof unchanged in all material respects or is exchanged for stock of the

successor person or entity with substantially identical rights, taking into account that, upon the occurrence of an event described in this sentence, the Company may not be the surviving entity.

Series D Preferred Stock

13.25 Dividends: On January 22, 2018, the Company completed the initial issuance and sale of its Series D Preferred Stock. Dividends on the Series D Preferred Stock accrue from the date of issuance and are payable on a quarterly basis in an amount equivalent to 6.375% of the $25 liquidation preference per share of Series D Preferred Stock per annum. Dividends on the Series D Preferred Stock are payable quarterly in arrears on each Series D Payment Date for the related Series D Dividend Period, commencing March 15, 2018 (or, if not on a business day, on the next succeeding business day) to holders of record on the close of business on the record date set by the board of directors. No interest or additional dividend shall be payable in respect of any accrued but unpaid dividend on the Series D Preferred Stock.

13.26 Seniority: In respect of the payment of distributions, the Series D Preferred Stock ranks senior to the Common Stock and to all other equity securities ranking junior to the Series D Preferred Stock, on parity with all equity securities ranking on parity with the Series D Preferred Stock, junior to any future class or series of equity securities ranking senior to the Series D Preferred Stock and junior to any existing and future indebtedness.

13.27 Liquidation Preference: Upon a liquidation, dissolution or winding up of the Company, the holders of Series D Preferred Stock will have the right to receive $25.00 per share, plus an amount equal to all dividends accrued and unpaid (whether or not declared), if any, before any payments are made to the holders of the Common Stock or any other shares of capital stock that rank junior to the Series D Preferred Stock.

13.28 Conversion into Common Stock: Upon the occurrence of a Delisting Event or a Change of Control, as applicable, each holder of Series D Preferred Stock will have the right to convert into Common Stock some of or all the shares of Series D Preferred Stock held by the holder on a date determined by the Company's board of directors, unless, prior to the applicable conversion date, the Company has provided notice of its election to redeem shares of Series D Preferred Stock. Each share of Series D Preferred Stock will be converted in a number of shares of Common Stock equal to the lesser of: (A) the quotient of (i) the sum of the $25.00 liquidation preference per share plus the amount of accrued and unpaid dividends, if any, divided by (ii) the Common Stock Price; and (B) 3.4843 (the share cap), subject to certain adjustments as set forth in the articles supplementary of the Company.

13.28.1 For the purposes of the Series D Preferred Stock:

- "**Delisting Event**" means both (i) the Series D Preferred Stock (whether before or after January 22, 2023) is not listed on the NYSE, NYSE American LLC or the NASDAQ[3] or listed or quoted on an exchange or quotation system that is a successor to the NYSE, NYSE American LLC or NASDAQ and (ii) the Company is not subject to the reporting requirements of the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), but any shares of Series D Preferred Stock are outstanding;

- a "**Change of Control**" occurs when, after the original issuance of the Series D Preferred Stock, the following have occurred and are continuing: (i) the acquisition by any person, including any syndicate or group deemed to be a "person" under Section 13(d)(3) of the Exchange Act of beneficial ownership, directly or indirectly, through a purchase, merger, conversion or other acquisition transaction or series of purchases, mergers, conversions or other acquisition transactions of shares of stock of the Company entitling that person to exercise more than 50% of the total voting power of all outstanding shares of stock of the Company entitled to vote generally in the election of directors (except that such person will be deemed to have beneficial ownership of all securities that such person has the right to acquire, whether such right is currently exercisable or is exercisable only upon the occurrence of a subsequent condition); and (ii) following the closing of any transaction referred to in clause (i) above, neither the Company nor the acquiring or surviving entity has a class of common equity securities (or ADRs representing such securities) listed on the NYSE, the NYSE American LLC or the NASDAQ or listed or quoted on an exchange or quotation system that is a successor to the NYSE, NYSE American LLC or NASDAQ;

- the "**Common Stock Price**" for any Change of Control will be (i) if the consideration to be received in the Change of Control by holders of shares of Common Stock is solely cash, the amount of cash consideration per share of Common Stock, and (ii) if the consideration to be received in the Change of Control by holders of shares of Common Stock is other than solely cash, the average of the closing price per share of Common Stock on the NYSE or NYSE American LLC on the 10 consecutive trading days immediately preceding, but not including, the effective date of the Change of Control; and

[3] For the avoidance of doubt, the Series D Preferred Stock is currently listed on the NYSE.

- the "**Common Stock Price**" for any Delisting Event will be the average of the closing price per share of Common Stock on the NYSE or NYSE American LLC on the 10 consecutive trading days immediately preceding, but not including, the effective date of the Delisting Event.

13.29 Optional Redemption: The Series D Preferred Stock is not redeemable prior to January 22, 2023 except as noted below and pursuant to provisions relating to preserving the Company's qualification as a real estate investment trust ("**REIT**"). On or after January 22, 2023 , the Series D Preferred Stock will be redeemable at the Company's option for cash, in whole or in part, at any time or from time to time, at a price per share equal to $25.00, plus an amount equal to all dividends accrued and unpaid (whether or not declared), if any, to, but not including, the redemption date (unless the redemption date is after a dividend record date and prior to the corresponding dividend payment date, in which case no additional amount for the accrued and unpaid dividend will be included in the redemption price).

13.30 Special Optional Redemption in connection with a Delisting Event: During any period of time (whether before or afterJanuary 22, 2023) that a Delisting Event shall have occurred and be continuing, the Company will have the option, subject to certain conditions, to redeem the outstanding Series D Preferred Stock, in whole but not in part, within 90 days after the Delisting Event, for a redemption price of $25.00 per share, plus an amount equal to all dividends accrued and unpaid (whether or not declared), if any, to, but not including, the redemption date (unless the redemption date is after a dividend record date and prior to the corresponding dividend payment date, in which case no additional amount for the accrued and unpaid dividend will be included in the redemption price).

13.31 Special Optional Redemption in connection with a Change of Control. Upon the occurrence of a Change of Control, the Company may, at its option, redeem the shares of Series D Preferred Stock, in whole but not in part and within 120 days after the first date on which the Change of Control occurred, by paying $25.00 per share, plus an amount equal to all dividends accrued and unpaid (whether or not declared), if any, to, but not including, the redemption date (unless the redemption date is after a dividend record date for and prior to the corresponding dividend payment date, in which case no additional amount for the accrued and unpaid dividend will be included in the redemption price).

13.32 Voting: Holders of Series D Preferred Stock have only limited voting rights as described below. If dividends on any outstanding shares of Series D Preferred Stock have not been paid for six or more dividend (quarterly) periods (whether or not declared or consecutive), holders of Series D Preferred Stock and holders of any other class or series of preferred

stock ranking on parity with the Series D Preferred Stock with respect to dividends and the distribution of assets in the event of the Company's voluntary or involuntary liquidation, dissolution or winding-up and upon which like voting rights have been conferred and are exercisable, and with which the holders of Series D Preferred Stock are entitled to vote together as a single class (voting together as a single class), will have the exclusive power to elect two additional directors until all accrued and unpaid dividends on the Series D Preferred Stock have been fully paid. In addition, the Company may not authorize or issue any class or series of equity securities ranking senior to the Series D Preferred Stock with respect to dividends and the distribution of assets in the event of the Company's voluntary or involuntary liquidation, dissolution or winding-up (including securities convertible into or exchangeable for any senior securities) or amend the Company's charter (whether by merger, consolidation or otherwise) to materially and adversely change the terms of the Series D Preferred Stock without the affirmative vote of at least two-thirds of the votes entitled to be cast on the matter by holders of outstanding shares of Series D Preferred Stock and holders of any other similarly-affected classes and series of preferred stock ranking on parity with the Series D Preferred Stock with respect to dividends and the distribution of assets in the event of the Company's voluntary or involuntary liquidation, dissolution or winding-up and upon which like voting rights have been conferred and are exercisable, voting together as a single class. Holders of Series D Preferred Stock will not have any voting rights in connection with any amendment, alteration or repeal or other change to any provision of the Company's charter, including the articles supplementary setting forth the terms of the Series D Preferred Stock, as a result of a merger, conversion, consolidation, transfer or conveyance of all or substantially all of the Company's assets or other business combination or otherwise, if the Series D Preferred Stock (or stock into which the Series D Preferred Stock has been converted in any successor person or entity to the Company) remains outstanding with the terms thereof unchanged in all material respects or is exchanged for stock of the successor person or entity with substantially identical rights, taking into account that, upon the occurrence of an event described in this sentence, the Company may not be the surviving entity.

Action by Stockholders

13.33 Under the MGCL, action by holders of Common Stock can be taken only at an annual or special meeting of stockholders or by unanimous consent in lieu of a meeting (unless the charter provides for a lesser percentage, which the Company’s charter does not). These provisions, combined with the requirements of the charter and bylaws regarding the

calling of a stockholder-requested special meeting of stockholders, may have the effect of delaying consideration of a stockholder proposal until the next annual meeting.

Stockholder Voting Requirements

13.34 Subject to the restrictions in the Company's charter on ownership and transfer of the Company's stock and the terms of each class or series of stock, including in respect of the vote by the stockholders for the election of the directors, each holder of Common Stock is entitled at each meeting of stockholders to one vote per share owned by such stockholder on all matters submitted to a vote of stockholders.

13.35 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 declared advisable by the board of directors and approved by the affirmative vote of stockholders entitled to cast at least two-thirds of 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. The Company's charter provides for approval of these matters (except for certain charter amendments relating to director resignation, removal and the vote required for certain amendments and certain transactions) by the affirmative vote of holders of shares entitled to cast a majority of all the votes entitled to be cast on the matter. It should be noted that the MGCL permits a board of directors, without stockholder approval, to amend or supplement the corporation's charter to increase the authorized capital stock of any class.

13.36 The Company's operating assets may be held by subsidiaries and these subsidiaries may be able to merge or sell all or substantially all of their assets without the approval of the Company's stockholders.

Stockholder Meetings

13.37 Pursuant to the Company's charter and bylaws, an annual meeting of the stockholders for the purpose of the election of directors and the transaction of any business shall be held annually during the month of June on a date and at the time and place set by the board of directors. The Company's board of directors is divided into three classes of directors. Directors of each class may be elected for three-year terms upon the expiration of their current terms, and every year one class of directors is elected by the holders of the Company's Common Stock. Special meetings of stockholders to act on any matter that may properly be considered at a meeting of stockholders may be called upon the request of the board of directors, the chairman of the board of directors, the president or the chief executive officer and, subject to the satisfaction of certain procedural requirements, must

be called by the Company's secretary upon the written request of stockholders entitled to cast not less than a majority of all the votes entitled to be cast on the matter at the meeting. The presence of stockholders entitled to cast at least a majority of all the votes entitled to be cast at such meeting on any matter, either in person or by proxy, will constitute a quorum.

13.38 In connection with each stockholder meeting, the Company will obtain a TASE member position list and omnibus proxy from the TASE Clearing House as of the record date for the meeting. Holders of Common Stock through a TASE member will be entitled to obtain an ownership confirmation from the TASE member and vote the number of shares set forth therein at the stockholder meeting, in person or by proxy.

Bylaws

13.39 All powers of the Company may be exercised by or under authority of the board of directors, except as conferred on or reserved to the stockholders by statute or by the charter or the bylaws.

Number, Election and Removal of Directors

13.40 The Company's board of directors is currently comprised of twelve directors, eight of whom are independent as defined by the NYSE Director Independence Standards. Under the Company's organizational documents, the board of directors may alter the number of directors to a number not exceeding fifteen or less than three, with at least three independent directors (defined in charter as directors who satisfy the requirements of Section 3-802 of the Maryland General Corporation Law).

13.41 The Company's board of directors is divided into three classes of directors. Directors of each class may be elected for three-year terms upon the expiration of their current terms, and every year one class of directors is elected by the holders of the Company's Common Stock.

13.42 There is no cumulative voting in the election of the board of directors, which means that the holders of a majority of shares of the outstanding Common Stock can elect all the directors then standing for election and the holders of the remaining shares of Common Stock will not be able to elect any directors.

13.43 Any director may resign at any time. The Company's charter provides that any or all directors may be removed from office only for "cause" by the affirmative vote of the stockholders entitled to cast at least two-thirds of the votes entitled to be cast generally in the election of directors, subject to the rights of holders of one or more classes or series of preferred stock. For the purpose of this provision of the charter, "cause" means, with

respect to any particular director, personal dishonesty, incompetence, willful misconduct, breach of duty involving personal profit, intentional failure to perform stated duties, willful violation of any law, rule or regulation (other than traffic violations or similar offenses) or final cease and desist order.

Vacancies

13.44 The Company has elected by a provision of the charter to be subject to a provision of Maryland law requiring that, except as otherwise provided in the terms of any class or series of preferred stock, vacancies on the board of directors may be filled only by the affirmative vote of a majority of the remaining directors in office even if the remaining directors do not constitute a quorum, and any director elected to fill a vacancy shall serve for the remainder of the full term of the directorship in which such vacancy occurred.

No Appraisal Rights

13.45 As permitted by the MGCL, the Company's charter provides that stockholders will not be entitled to exercise appraisal rights unless a majority of 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 stockholders would otherwise be entitled to exercise appraisal rights.

Dissolution

13.46 Dissolution must be declared advisable by a majority of the board of directors and approved by the affirmative vote of stockholders entitled to cast not less than a two -thirds of the votes entitled to be cast on such matter.

Business Combinations

13.47 Under the MGCL, certain "business combinations," including a merger, consolidation, share exchange or, in certain circumstances, an asset transfer or issuance or reclassification of equity securities, between a Maryland corporation and an "interested stockholder" or, generally, any person who beneficially owns directly or indirectly, 10% or more of the voting power of the corporation's outstanding voting stock or 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, or an affiliate of such an interested stockholder, are prohibited for five years after the most recent date on which the interested stockholder becomes an interested stockholder. Thereafter, any such business combination must be recommended by the board of directors of such corporation and approved by the affirmative vote of at least (1) 80% of the votes entitled to be cast

by holders of outstanding voting stock of the corporation and (2) 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 with whom (or with whose affiliate) the business combination is to be effected or held by an affiliate or associate of the interested stockholder. The super-majority vote requirements do not apply if the corporation's common stockholders receive a minimum price (as defined in the MGCL) for their shares and the consideration is received in cash or in the same form as previously paid by the interested stockholder for its shares. The Company's charter provides that these provisions will not apply to any transaction with Monmouth Real Estate Investment Corporation or Monmouth Capital Corporation (collectively the "**MREIC"**), which are affiliates of the Company, unless those entities undergo a Change in Control (as such term is defined in Company's charter).

13.48 Under the MGCL, a person is not an "interested stockholder" if the board of directors approved in advance the transaction by which the person otherwise would have become an interested stockholder. A corporation's board of directors may provide that its approval is subject to compliance with any terms and conditions determined by it.

13.49 These provisions of the MGCL do not apply, however, to business combinations that are approved or exempted by a board of directors prior to the time that the interested stockholder becomes an interested stockholder. As permitted by the MGCL, the Company's board of directors has by resolution exempted business combinations between it and any person, provided that such business combination is first approved by the board of directors (including a majority of directors who are not affiliates or associates of such person). Consequently, the five-year prohibition and the supermajority vote requirements will not apply to such business combinations. As a result, any person described above may be able to enter into business combinations with the Company that may not be in the best interest of the Company's stockholders without compliance with the supermajority vote requirements and other provisions of the statute. This resolution, however, may be altered or repealed in whole or in part at any time by the board of directors. If this resolution is repealed, or the board of directors does not otherwise approve a business combination with a person, the statute may discourage others from trying to acquire control of the Company and increase the difficulty of consummating any offer.

Control Share Acquisitions

13.50 The MGCL provides that "control shares" of a Maryland corporation acquired in a "control share acquisition" have no voting rights except to the extent approved by the affirmative vote of stockholders entitled to cast at least two-thirds of the votes entitled to

be cast on the matter, excluding shares of stock in respect of which any of the following persons is entitled to exercise or direct the exercise of the voting power of such shares in the election of directors: (1) the person that has made or proposed to make the control share acquisition, (2) an officer of the corporation or (3) an employee of the corporation who is also a director of the corporation. "Control shares" are shares of voting stock which, if aggregated with all other such shares owned by the acquirer, or in respect of which the acquirer is able to exercise or direct the exercise of voting power (except solely by virtue of a revocable proxy), would entitle the acquirer to exercise voting power in electing directors within one of the following ranges of voting power: (A) one-tenth or more but less than one-third, (B) one-third or more but less than a majority or (C) a majority or more of all voting power. Control shares do not include shares that the acquirer is then entitled to vote as a result of having previously obtained stockholder approval or shares acquired directly from the corporation. A "control share acquisition" means the acquisition of issued and outstanding control shares, subject to certain exceptions.

13.51 A person who has made or proposes to make a control share acquisition, upon satisfaction of certain conditions (including an undertaking to pay expenses and making an "acquiring person statement" as described in MGCL), may compel the board of directors to call a special meeting of stockholders to be held within 50 days of 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.

13.52 If voting rights are not approved at the meeting or if the acquirer does not deliver an "acquiring person statement" as required by the statute, then, subject to certain conditions and limitations, the corporation may redeem any or all of the control shares (except those for which voting rights have previously been approved) for fair value determined, without regard to voting rights, as of the date of last control share acquisition or of any meeting of stockholders at which the voting rights of such shares are considered and not approved, or, if the acquirer becomes entitled to vote a majority of the shares entitled to vote, all other shareholders may exercise appraisal rights. 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, unless the corporation's charter provides otherwise. The fair value of the shares as determined for purposes of such appraisal rights may not be less than the highest price per share paid by the acquirer in the control share acquisition and certain limitations and restrictions otherwise applicable to the exercise of dissenters' appraisal rights do not apply in the context of a control share acquisition.

13.53 The control share acquisition statute does not apply to (1) shares acquired in a merger, consolidation or statutory share exchange if the corporation is a party to the transaction or (2) acquisitions approved or exempted by the charter or bylaws of the corporation. The Company's bylaws contain a provision exempting from the control share acquisition statute any and all acquisitions by any person of the Company's stock. There is no assurance that such provision will not be amended or eliminated at any time in the future.

Anti-takeover Provisions

13.54 Subtitle 8 of Title 3 of the MGCL permits the board of directors of a Maryland corporation with a class of equity securities registered under the Exchange Act 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: (i) a classified board; (ii) a two-thirds vote requirement for removing a director; (iii) a requirement that the number of directors be fixed only by vote of the directors; (iv) a requirement that a vacancy on the board be filled only by the remaining directors and, if the board is classified, for the remainder of the full term of the class of directors in which the vacancy occurred; and (v) a majority requirement for the calling of a stockholder-requested special meeting of stockholders.

13.55 The Company has elected to be subject to the provisions of Subtitle 8 of MGCL relating to a classified board and the filling of vacancies on its board of directors. Through provisions in the charter and bylaws unrelated to Subtitle 8, the Company (1) requires a two-thirds vote for the removal of any director from the board, which removal will be allowed only for cause, (2) vests in the board of directors the exclusive power to fix the number of directorships, and (3) requires, unless called by the president, the chairman of the board of directors or a majority of our board of directors, the written request of stockholders entitled to cast not less than a majority of all votes entitled to be cast on any matter that may properly be considered at a meeting of stockholders in order to call a special meeting to act on such matter.

Advance Notice of Director Nominations and Shareholder Proposals

13.56 The Company's bylaws provide that nominations of individuals for election to the board of directors may be made at an annual meeting or at any special meeting of stockholders called for the purpose of electing directors (1) pursuant to the Company's notice of meeting, (2) by or at the direction of the board of directors (or any duly authorized committee thereof), or (3) by any stockholder of record both at the time of giving of notice 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 set forth in the bylaws. The Company's bylaws currently require the stockholder to provide notice to the secretary containing the information required by the bylaws: (i) in a case of annual meeting – not less than the 90 days and not more than 120 days prior to the first anniversary of the mailing of the notice for the preceding year's annual meeting, subject to the additional terms set forth in the bylaws ; provided, however, in the event that the date of the annual meeting is advanced by more than 30 days or delayed by more than 60 days from such anniversary date notice by the stockholder must be so delivered not earlier than the 120th day prior to such annual meeting and not later than the close of business on the later of the 90th day prior to such annual meeting or the 10th day following the day on which public announcement of the date of mailing of such meeting was first made and (ii) in a case of special meeting of stockholders called for the purpose of electing directors, not earlier than the 120th day prior to such special meeting and not later than the close of business on the later of the 90th day prior to such special meeting or the 10th day following the day on which public disclosure of the date of the special meeting was made.

13.57 With respect to business transactions/proposals, only the business specified in the notice of annual meeting or otherwise properly brought before the annual meeting by or at the direction of the board of directors (or any duly authorized committee thereof) or by any stockholder of record both at the time of giving of notice and at the time of the meeting, who is entitled to vote at the annual meeting and on the date of the annual meeting and who has complied with the advance notice procedures set forth in the bylaws, may be brought before the meeting. The Company's bylaws currently require the stockholder to provide notice to the secretary containing the information required by the bylaws, not less than the 90 days and not more than 120 days prior to the first anniversary of the mailing of the notice for the preceding year's annual meeting, subject to the additional terms set forth in the bylaws, provided, however, in the event that the date of the annual meeting is advanced by more than 30 days or delayed by more than 60 days from such anniversary date notice by the stockholder must be so delivered not earlier than the 120th day prior to the date of mailing of the notice for such annual meeting and not later than the close of business on the later of the 90th day prior to prior to the date of mailing of the notice for such annual meeting or the 10th day following the day on which public announcement of the date of such meeting is first made.

Indemnification and Limitation of Directors' and Officers' Liability

13.58 Maryland law permits a Maryland corporation to include in its charter a provision eliminating the liability of its directors and officers to the corporation and its stockholders for money damages, except for liability resulting from (1) actual receipt of an improper benefit or profit in money, property or services or (2) active and deliberate dishonesty established by a final judgment as being material to the cause of action. The Company's charter contains a provision that eliminates such liability to the maximum extent permitted by Maryland law. This provision does not reduce the exposure of directors and officers to liability under federal or state securities laws, nor does it limit the stockholders' ability to obtain injunctive relief or other equitable remedies for a violation of a director's or an officer's duties to the Company, although the equitable remedies may not be an effective remedy in some circumstances.

13.59 The MGCL requires a Maryland corporation (unless its charter provides otherwise, which the Company's 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 MGCL permits a Maryland corporation to indemnify its present and former directors and officers, among others, against judgments, penalties, fines, settlements and reasonable expenses actually incurred by them in connection with any proceeding to which they may be made or threatened to be made a party by reason of their service in those or other capacities unless it is established that: (1) the act or omission of the director or officer was material to the matter giving rise to the proceeding and (A) was committed in bad faith or (B) was the result of active and deliberate dishonesty; (2) the director or officer actually received an improper personal benefit in money, property or services; or (3) in the case of any criminal proceeding, the director or officer had reasonable cause to believe that the act or omission was unlawful. However, under the MGCL, a Maryland corporation may not indemnify a director or officer for an adverse judgment in a suit by or in the right of the corporation or for a judgment of liability on the basis that a personal benefit was improperly received. 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 Company or in its right, or for a judgment of liability on the basis that personal benefit was improperly received, is limited to expenses. In addition, the MGCL permits a corporation to advance reasonable expenses to a director or officer upon the corporation's receipt of (1) 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 by the corporation and (2) a written undertaking by him or her or on his or her behalf to repay the amount paid or reimbursed by the corporation if it is ultimately determined that the appropriate standard of conduct was not met.

13.60 The Company's charter authorizes it to obligate itself and the bylaws obligate it, to the fullest extent permitted by Maryland law in effect from time to time, to indemnify and, without requiring a preliminary determination of the ultimate entitlement to indemnification, pay or reimburse reasonable expenses in advance of final disposition of a proceeding to: (i) any present or former director or officer who is made or threatened or to be made a party to or witness to actual suit, investigation, or other proceeding, including administrative actions by reason of his or her service in that capacity; or (ii) any other employee and or agent, whether serving the Corporation or at its request any other entity to the extent authorized by the board of directors or the Company's bylaws and permitted by law.

13.61 The Company is also permitted to indemnify and advance expenses to any person who served a predecessor of the Company in any of the capacities described above and to any employee or agent of the Company or a predecessor of the Company.

13.62 The Company has entered into an indemnification agreement with each of its directors and officers, and certain former directors and officers, providing for indemnification of such directors and officers to the maximum extent permitted by Maryland law. The indemnification agreements provide that each indemnitee is entitled to indemnification unless it is established that: (1) the act or omission of an indemnitee was material to the matter giving rise to the proceeding and (i) was committed in bad faith or (ii) was the result of active and deliberate dishonesty; (2) such indemnitee actually received an improper personal benefit in money, property or services; or (3) in the case of any criminal proceeding, such indemnitee had reasonable cause to believe that his conduct was unlawful. The indemnification agreements further limit each indemnitee's entitlement to indemnification in cases where: (1) the proceeding was one by or in the right of the Company and such indemnitee was adjudged to be liable to the Company; (2) such indemnitee was adjudged to be liable on the basis that personal benefit was improperly received in any proceeding charging improper personal benefit to such indemnitee; or (3) the proceeding was brought by such indemnitee, except in certain circumstances

14. Restrictions on Transfer and Ownership of Stock

14.1 In order for the Company to qualify as a REIT under the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), shares of the Company's stock must be owned by 100 or more persons during at least 335 days of a taxable year of 12 months (other than the first year for which an election to be taxed as a REIT has been made) or during a proportionate part of a shorter taxable year. Also, under Section 856 of the Code, a REIT cannot be "closely held." In this regard, not more than 50% of the value of the outstanding shares of stock may be owned, actually or constructively, by five or fewer individuals (as defined in the Code to include certain entities) during the last half of a taxable year (other than the first year for which an election to be a REIT has been made).

14.2 The Company's charter contains restrictions on the ownership and transfer of shares of Common Stock and other outstanding shares of stock. The relevant sections of the charter provide that, subject to the exceptions described below, no person or entity may own, or be deemed to own, by virtue of the applicable constructive ownership provisions of the Code, more than 9.8% (in value or in number of shares, whichever is more restrictive) of the outstanding shares of the Company's stock (other than Excess Stock) (the "**Ownership Limits**").

14.3 The constructive ownership rules under the Code are complex and may cause shares of stock owned actually or constructively by a group of related individuals or entities to be owned constructively by one individual or entity. As a result, the acquisition of less than 9.8% (in value or in number of shares, whichever is more restrictive) of any class or series of the Company's stock (other than Excess Stock) (or the acquisition of an interest in an entity that owns, actually or constructively, shares of the Company's stock by an individual or entity), could, nevertheless, cause that individual or entity, or another individual or entity, to violate the Ownership Limits.

14.4 Every holder of more than 5% (or such lower percentage as may be provided in the income tax regulations promulgated under the Code) of the number or value of outstanding shares of the Company's capital stock must give written notice to the Company, within 30 days after December 31 of each year, stating the name and address of such owner, the number of shares of capital stock beneficially or constructively owned and a description of the manner in which the shares are owned.

14.5 The board of directors may, upon receipt of certain representations, undertakings and agreements and in its sole discretion, exempt (prospectively or retroactively) any person from the Ownership Limits and establish a different limit, or excepted holder limit, for a particular person if the person's ownership in excess of the Ownership Limits will not

then or in the future result in the Company being deemed "closely held" under Section 856 of the Code (without regard to whether the person's interest is held during the last half of a taxable year) or otherwise cause the Company to fail to qualify as a REIT. In order to be considered by the board of directors for exemption, a person also must not own, actually or constructively, an interest in one of the Company's tenants (or a tenant of any entity which is owned or controlled by the Company) that would cause the Company to own, actually or constructively, more than a 9.9% interest in the tenant, unless the revenue derived from such tenant is sufficiently small that, in the opinion of the board of directors, rent from such tenant would not adversely affect the Company's ability to qualify as a REIT. The person seeking an exemption must provide such representations and undertakings to the satisfaction of the board of directors that it will not violate these two restrictions. The person also must agree that any violation or attempted violation of these restrictions will result in the automatic transfer to a charitable trust of the shares of stock causing the violation. As a condition of granting an exemption or creating an excepted holder limit, the board of directors may, but is not required to, obtain an opinion of counsel or Internal Revenue Service (the **"IRS")** ruling satisfactory to the board of directors with respect to the Company's continuing qualification as a REIT and may impose such other conditions or restrictions as it deems appropriate. In connection with granting an exemption from the Ownership Limits or establishing an excepted holder limit or at any other time, the board of directors may increase or decrease the Ownership Limits. Any decrease in the Ownership Limits will not be effective for any person whose percentage ownership of shares of the Company's stock is in excess of such decreased limits until such person's percentage ownership of shares of the Company's stock equals or falls below such decreased limits (other than a decrease as a result of a retroactive change in existing law, which will be effective immediately), but any further acquisition of shares of the Company's stock in excess of such percentage ownership will be in violation of the applicable decreased limits. The board of directors may not increase or decrease the Ownership Limits if, after giving effect to such increase or decrease, five or fewer persons could beneficially own or constructively own in the aggregate more than 49.9% in value of the Company's stock then outstanding. Prior to any modification of the Ownership Limits, the board of directors may require such opinions of counsel, affidavits, undertakings or agreements as it may deem necessary or advisable in order to determine or ensure the Company's qualification as a REIT.

## 15. U.S. Taxation in Connection with REITs and the Common Stock

The following is a description of the material U.S. federal income tax considerations to a holder of the Company's Common Stock who is not a U.S. Person. The following discussion

is not exhaustive of all possible tax considerations. In addition, this discussion does not address the U.S. federal income or other tax considerations applicable to U.S. holders.

No ruling on the U.S. federal, state, or local tax considerations relevant to the Company's operation or to the purchase, ownership or disposition of shares of the Company's shares has been requested from the IRS or other tax authority. No assurance can be given that the IRS would not assert, or that a court would not sustain, a position contrary to any of the tax consequences described below.

This summary is also based upon the assumption that the operation of the Company, and of its subsidiaries and other lower-tier and affiliated entities, will in each case be in accordance with its applicable organizational documents or partnership agreements. This summary does not discuss the impact that U.S. state and local taxes and taxes imposed by non-U.S. jurisdictions could have on the matters discussed in this summary. In addition, this summary assumes that shareholders hold shares of the Company as a capital asset, which generally means as property held for investment.

**Each prospective purchaser is advised to consult his or her own tax advisor regarding the specific tax consequences to him or her of the acquisition, ownership and sale of securities of an entity electing to be taxed as a real estate investment trust, including the federal, state, local, foreign, and other tax consequences of such acquisition, ownership, sale, and election and of potential changes in applicable tax laws.**

Taxation as a REIT

15.1 The Company has elected to be taxed as a REIT under Sections 856 through 860 of the Code, effective as of January 1, 1992. The Company's qualification and taxation as a REIT depends upon its ability to meet on a continuing basis, through actual annual operating results, distribution levels and diversity of stock ownership, the various qualification tests and organizational requirements imposed under the Code, as discussed below. The Company believes that it is organized and has operated in such a manner as to qualify under the Code for taxation as a REIT, and intends to continue to operate in such a manner. No assurances, however, can be given that the Company will operate in a manner so as to qualify or remain qualified as a REIT. See "Failure to Qualify" below.

15.2 The following is a general summary of the material Code provisions that govern the federal income tax treatment of a REIT and its stockholders. These provisions of the Code are highly technical and complex. This summary is qualified in its entirety by the applicable Code provisions, the Treasury Regulations, and administrative and judicial interpretations thereof.

15.3 Qualification and taxation as a REIT depends upon the Company's ability to meet on a continuing basis, through actual annual operating results, the various requirements under the Code described herein with regard to, among other things, the sources of the Company's gross income, the composition of its assets, its distribution levels, and diversity of its stock ownership. While the Company intends to operate so that it qualifies 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 its circumstances and the REIT rules, no assurance can be given that it satisfies all of the tests for REIT qualification or will continue to do so.

15.4 If the Company qualifies for taxation as a REIT, it generally will not be subject to federal corporate income taxes on net income that it currently distribute to stockholders. This treatment substantially eliminates the "double taxation" (at the corporate and stockholder levels) that generally results from investment in a corporation.

15.5 Notwithstanding the Company's REIT election, however, it will be subject to federal income tax in the following circumstances:

- First, the Company will be taxed at regular corporate rates on any undistributed taxable income, including undistributed net capital gains, provided, however, that properly designated undistributed capital gains will effectively avoid taxation at the stockholder level.
- Second, if the Company has (i) net income from the sale or other disposition of "foreclosure property" (which is, in general, property acquired by foreclosure or otherwise on default of a loan secured by the property) that is held primarily for sale to customers in the ordinary course of business or (ii) other non-qualifying income from foreclosure property, it will be subject to tax at the highest corporate rate on such income.
- Third, if the Company has net income from prohibited transactions (which are, in general, certain sales or other dispositions of property (other than foreclosure property) held primarily for sale to customers in the ordinary course of business), such income will be subject to a 100% tax on prohibited transactions.
- Fourth, if the Company should fail to satisfy the 75% gross income test or the 95% gross income test (as discussed below), and has nonetheless maintained its qualification as a REIT because certain other requirements have been met, it will be subject to a tax in an amount equal to the greater of either (i) the amount by which 75% of its gross income exceeds the amount qualifying under

the 75% test for the taxable year or (ii) the amount by which 95% of its gross income exceeds the amount of its income qualifying under the 95% test for the taxable year, multiplied in either case by a fraction intended to reflect the Company's profitability.

- Fifth, if the Company should fail to satisfy certain REIT asset tests (as discussed below) for a particular quarter and does not qualify for certain de minimis exceptions but has nonetheless maintained its qualification as a REIT because certain other requirements are met, it will be subject to a tax equal to the greater of (i) $50,000 or (ii) the amount determined by multiplying the highest corporate tax rate by the net income generated by certain disqualified assets for a specified period of time.

- Sixth, if the Company fails to satisfy REIT requirements other than the income or asset tests but nonetheless maintains its qualification because certain other requirements are met, it must pay a penalty of $50,000 for each such failure.

- Seventh, if the Company should fail to distribute during each calendar year at least the sum of (i) 85% of its REIT ordinary income for such year; (ii) 95% of its REIT capital gain net income for such year (for this purpose such term includes capital gains which the Company elects to retain but which it reports as distributed to its stockholders, as discussed in "Annual Distribution Requirements" below); and (iii) any undistributed taxable income from prior years, it would be subject to a 4% excise tax on the excess of such required distribution over the amounts actually distributed.

- Eighth, if the Company acquires any asset "in a conversion transaction" (which generally refers to a transaction in which the basis of the acquired asset in the Company's hands is determined by reference to the basis of the asset in the hands of a C corporation or a partnership that has one or more corporate partners), and the Company subsequently recognizes gain on the disposition of the asset during the 5-year period beginning on the date on which the Company acquired the asset, then the Company will be required to pay tax at the highest regular corporate rate on such gain (in the case of the partnership with a corporate partner, this refers to the gain allocable to the corporate partner) to the extent of the excess of (1) the fair market value of the asset over (2) the Company's adjusted basis in the asset, in each case determined as of the date on which the Company acquired the asset, assuming that the C corporation or partnership, as applicable, will refrain from making an election to receive

different treatment under existing Treasury Regulations on its tax return for the year in which the Company acquired the asset.

- Ninth, the Company would be subject to a 100% penalty tax on gains from "prohibited transactions" (generally amounts received upon the sale of certain assets) or on amounts received (or on certain expenses deducted by a taxable REIT subsidiary) if arrangements among the Company, its tenants and a taxable REIT subsidiary were not comparable to similar arrangements among unrelated parties.

15.6 In addition, the Company and its subsidiaries may be subject to a variety of taxes other than federal income taxes, including payroll taxes and state, local and foreign income, property or other taxes on assets and operations.

Requirements for Qualification as a REIT

15.7 The Code defines a REIT as a corporation, trust or association (i) which 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) which would be taxable as a domestic corporation but for Code Sections 856 through 860; (iv) which is neither a financial institution nor an insurance company subject to certain provisions of the Code; (v) the beneficial ownership of which is held by 100 or more persons; (vi) of which not more than 50% in value of the outstanding capital stock is owned, directly or indirectly, by five or fewer individuals (as defined in the Code to include certain entities) during the last half of each taxable year after applying certain attribution rules; (vii) that makes an election to be treated as a REIT for the current taxable year or has made an election for a previous taxable year which has not been terminated or revoked and (viii) which meets certain other tests, described below, regarding the nature of its income and assets. The Code provides that conditions (i) through (iv), inclusive, 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 taxable year of less than 12 months. Condition (vi) must be met during the last half of each taxable year. For purposes of determining stock ownership under condition (vi), a supplemental unemployment compensation benefits plan, a private foundation or a portion of a trust permanently set aside or used exclusively for charitable purposes generally is considered an individual. However, a trust that is a qualified trust under Code Section 401(a) generally is not considered an individual, and beneficiaries of a qualified trust are treated as holding shares of a REIT in proportion to their actuarial interests in the trust for purposes of condition (vi). Conditions (v) and (vi) do not apply until after the first taxable year for

which an election is made to be taxed as a REIT. The Company has issued sufficient common stock with sufficient diversity of ownership to allow it to satisfy requirements (v) and (vi). In addition, the Company's charter contains restrictions regarding the transfer of its stock intended to assist in continuing to satisfy the stock ownership requirements described in (v) and (vi) above. These restrictions, however, may not ensure that the Company will be able to satisfy these stock ownership requirements. If the Company fails to satisfy these stock ownership requirements, it will fail to qualify as a REIT.

15.8 To qualify as a REIT, the Company is required to have a taxable year that is the calendar year. In addition, the Company cannot have at the end of any taxable year any undistributed earnings and profits that are attributable to a non-REIT taxable year. The Company believes that it has complied with these requirements.

15.9 Pursuant to applicable Treasury Regulations, to be taxed as a REIT, the Company is required to maintain certain records and request on an annual basis certain information from its stockholders designed to disclose the actual ownership of its outstanding shares, or risk facing a monetary penalty. The Company has complied with such requirements. If the Company complies with these regulatory rules, and it does not know, or by exercising reasonable diligence would not have known, whether it failed to meet requirement (vi) above, it will be treated as having met the requirement.

Qualified REIT Subsidiaries

15.10 If a REIT owns a corporate subsidiary that is a "qualified REIT subsidiary," the separate existence of that subsidiary generally will be disregarded for federal income tax purposes. Generally, a qualified REIT subsidiary is a corporation, other than a taxable REIT subsidiary, all of the capital stock of which is owned by the REIT. All assets, liabilities and items of income, deduction and credit of the qualified REIT subsidiary will be treated as assets, liabilities and items of income, deduction and credit of the REIT itself. A qualified REIT subsidiary of the Company will not be subject to federal corporate income taxation, although it may be subject to state and local taxation in some states.

Taxable REIT Subsidiaries

15.11 A "taxable REIT subsidiary" is an entity taxable as a corporation in which the Company owns stock and that elects with the Company to be treated as a taxable REIT subsidiary under Section 856(l) of the Code. In addition, if one of the Company's taxable REIT subsidiaries owns, directly or indirectly, securities representing 35% or more of the vote or value of a subsidiary corporation, that subsidiary will also be treated as a taxable REIT

subsidiary of the Company. A taxable REIT subsidiary is subject to federal income tax, and state and local income tax where applicable, as a regular "C" corporation.

15.12 Generally, a taxable REIT subsidiary can (i) perform certain impermissible tenant services without causing the Company to receive impermissible tenant services income under the REIT income tests and (ii) engage in property sale transactions without causing the Company to be treated as engaging in a prohibited transaction. However, several provisions regarding the arrangements between a REIT and its taxable REIT subsidiaries ensure that a taxable REIT subsidiary will be subject to an appropriate level of federal income taxation. For example, a taxable REIT subsidiary is limited in its ability to deduct interest payments made to the Company. In addition, the Company will be obligated to pay a 100% penalty tax on some payments that it receives or on certain expenses deducted by the taxable REIT subsidiary if the economic arrangements among the Company, its tenants and the taxable REIT subsidiary are not comparable to similar arrangements among unrelated parties. The Company currently has a taxable REIT subsidiary, UMH Sales and Finance, Inc., and may establish additional taxable REIT subsidiaries in the future.

REIT Income Tests

15.13 In order for the Company to maintain qualification as a REIT, two separate percentage tests relating to the source of the Company's gross income must be satisfied annually. First, at least 75% of the Company's gross income (excluding gross income from prohibited transactions, certain hedging transactions, certain foreign currency gains and cancellation of indebtedness income) for each taxable year generally must be derived directly or indirectly from investments relating to real property or mortgages on real property, including "rents from real property," interest derived from mortgage loans secured by real property (including certain qualified mezzanine financings secured by interests in entities owning real property), dividends from other REITs, gains from the sale of real estate assets, and income from certain types of temporary investments. Second, at least 95% of the Company's gross income (excluding gross income from prohibited transactions, certain hedging transactions, certain foreign currency gains and cancellation of indebtedness income) for each taxable year must be derived from the real property investments described above, or dividends, interest and gain from the sale or disposition of stock or securities, or from any combination of the foregoing. For these purposes, the term "interest" generally does not include any amount received or accrued, directly or indirectly, if the determination of all or some of the amount depends in any way on the income or profits of any person. However, an amount received or accrued

generally will not be excluded from the term "interest" solely by reason of being based on a fixed percentage or percentages of gross receipts or sales.

15.14 Rents received by the Company will qualify as "rents from real property" in satisfying the above gross income tests only if several conditions are met. First, the amount of rent generally must not be based in whole or in part on the income or profits of any person. However, amounts received or accrued generally will not be excluded from "rents from real property" solely by reason of being based on a fixed percentage or percentages of gross receipts or sales.

15.15 Second, rents received from a tenant will not qualify as "rents from real property" if the Company, or a direct or indirect owner of 10% or more of its stock, actually or constructively own 10% or more of such tenant (a "Related Party Tenant"). The Company may, however, lease its properties to a taxable REIT subsidiary and rents received from that subsidiary generally will not be disqualified from being "rents from real property" by reason of its ownership interest in the subsidiary if at least 90% of the property in question is leased to unrelated tenants and the rent paid by the taxable REIT subsidiary is substantially comparable to the rent paid by the unrelated tenants for comparable space, as determined pursuant to the rules in Code Section 856(d)(8).

15.16 Third, if rent attributable to personal property that is leased in connection with a lease of real property is greater than 15% of the total rent received under the lease, then the portion of rent attributable to such personal property will not qualify as "rents from real property." This 15% test is based on relative fair market values of the real and personal property.

15.17 Generally, for rents to qualify as "rents from real property" for the purposes of the gross income tests, the Company may only provide services that are both "usually or customarily rendered" in connection with the rental of real property and not otherwise considered "rendered to the occupant." Income received from any other service will be treated as "impermissible tenant service income" unless the service is provided through an independent contractor that bears the expenses of providing the services and from whom the Company derives no revenue or through a taxable REIT subsidiary, subject to specified limitations. The amount of impermissible tenant service income the Company receives is deemed to be the greater of the amount actually received by the Company or 150% of its direct cost of providing the service. If the impermissible tenant service income exceeds 1% of the Company's total income from a property, then all of the income from that property will fail to qualify as rents from real property. If the total amount of impermissible tenant service income from a property does not exceed 1% of the Company's total income from that property, the income will not cause the rent paid by

tenants of that property to fail to qualify as rents from real property, but the impermissible tenant service income itself will not qualify as rents from real property.

15.18 In addition to being structured to satisfy the above listed conditions, the Company's leases will be structured with the intent to qualify as true leases for federal income tax purposes. If, however, the Company's leases were recharacterized as service contracts or partnership agreements, rather than true leases, or disregarded altogether for tax purposes, all or part of the payments that the Company, its applicable subsidiary or other lessor entity receives from the lessees would not be considered rent or would not otherwise satisfy the various requirements for qualification as "rents from real property." In that case, the Company very likely would not be able to satisfy either the 75% or 95% gross income tests and, as a result, could lose its REIT status.

15.19 If the Company fails to satisfy one or both of the 75% or 95% gross income tests for any taxable year, it may nevertheless qualify as a REIT for such year if it is entitled to relief under certain provisions of the Code. The relief provisions generally are available with respect to a failure to meet such tests if the Company's failure was due to reasonable cause and not due to willful neglect, and, following the REIT's identification of the failure to meet either of the gross income tests, a description of each item of the REIT's gross income is set forth in a schedule for the relevant taxable year that is filed in accordance with the applicable regulations. It is not possible, however, to state whether in all circumstances the Company would be entitled to the benefit of these relief provisions. Even if these relief provisions were to apply, various taxes and penalties may be imposed on the Company.

Other Rules Regarding REIT Income

15.20 *Prohibited Transaction Income*. Any gain that the Company realizes on the sale of property held as inventory or otherwise held primarily for sale to customers in the ordinary course of business will be treated as income from a prohibited transaction that is subject to a 100% penalty tax, unless certain safe harbor exceptions apply. The amount of gain would include any gain realized by qualified REIT subsidiaries and the Company's share of any gain realized by any of the partnerships or limited liability companies in which it owns an interest. This prohibited transaction income may also adversely affect the Company's ability to satisfy the income tests for qualification as a REIT since such income is disregarded for purposes of these tests. Under existing law, whether property is held as inventory or primarily for sale to customers in the ordinary course of a trade or business is a question of fact that depends on all of the facts and circumstances surrounding the particular transaction. However, the Code provides a safe

harbor pursuant to which limited sales of properties held at least two years and meeting certain additional requirements will not be treated as prohibited transactions. The Company intends to hold its properties for investment with a view to long-term appreciation and to engage in the business of acquiring, developing and owning its properties. The Company has made, and may in the future make, occasional sales of properties consistent with its investment objectives. The Company does not intend to enter into any sales that are prohibited transactions. The IRS may contend, however, that one or more of these sales is subject to the 100% penalty tax.

15.21 *Foreclosure Property*. Foreclosure property is real property and any personal property incident to such real property (i) that is acquired by the Company (a) as a result of the Company's having bid in the property at foreclosure, or (b) having otherwise reduced the property to ownership or possession by agreement or process of law, after there was a default (or default was imminent) on a lease of the property or a mortgage loan held by and secured by the property, in which case the related loan or lease was acquired by the Company at a time when default was not imminent or anticipated, and (ii) for which the Company makes a proper election to treat the property as foreclosure property. Property otherwise qualifying as foreclosure property has that status for the year of acquisition plus the three following years, unless such period is extended by the IRS. REITs generally are 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 in the hands of the selling REIT. The Company does not anticipate that it will receive any income from foreclosure property that is not qualifying income for purposes of the 75% gross income test.

15.22 *Hedging Transactions*. The Company may enter into hedging transactions with respect to one or more of its assets or liabilities. The Company's hedging activities may include entering into interest rate swaps, caps, and floors, options to purchase these items, and futures and forward contracts. Income from such transactions is generally not qualifying income for purposes of the 95% and 75% gross income tests. However, to the extent the transaction (i) hedges (A) any indebtedness incurred or to be incurred by the trust to acquire or carry real estate assets, (B) the risk of currency fluctuations with respect to any otherwise qualifying item of REIT income or (C) with respect to a previously disposed of hedge described in (A) or (B) and (ii) is properly identified, such hedge will not generate

gross income for purposes of the 95% and 75% gross income tests. The Company intends to structure any hedging transactions in a manner that does not jeopardize its status as a REIT.

REIT Asset Tests

15.23 At the close of each quarter of the Company's taxable year, it must satisfy six tests relating to the nature of its assets.

- At least 75% of the value of its total assets must be represented by "real estate assets," cash, cash items and government securities as such terms are defined in the Code. The Company's real estate assets include, for this purpose, its allocable share of real estate assets held by any partnerships in which it owns an interest, and the non-corporate subsidiaries of these partnerships, as well as stock or debt instruments held for less than one year purchased with the proceeds of an offering of shares or long term debt.
- Not more than 25% of the value of the Company's total assets may be represented by securities, other than those in the 75% asset class.
- Except for certain investments in REITs, qualified REIT subsidiaries, and taxable REIT subsidiaries, the value of any one issuer's securities owned by the Company may not exceed 5% of the value of its total assets.
- Except for certain investments in REITs, qualified REIT subsidiaries and taxable REIT subsidiaries, the Company may not own more than 10% of the total voting power of any one issuer's outstanding securities.
- Except for certain investments in REITs, qualified REIT subsidiaries and taxable REIT subsidiaries, the Company may not own more than 10% of the total value of the outstanding securities of any one issuer, other than securities that qualify for the debt safe harbors discussed below.
- For tax years beginning after July 30, 2008 and for tax years beginning on or before December 31, 2017, not more than 25% of the Company's total assets may be represented by the securities of one or more taxable REIT subsidiaries. For tax years beginning on or before July 30, 2008, and for tax years beginning after December 31, 2017, not more than 20% of the Company's total assets may be represented by the securities of one or more taxable REIT subsidiaries.
- For taxable years beginning after December 31, 2015, no more than 25% of the value of the Company's total assets may consist of debt instruments issued by

"publicly offered REITs" (i.e., a REIT that is required to file annual and periodic reports with the SEC under the Securities Exchange Act of 1934) to the extent such debt instruments are not secured by real property or interests in real property.

15.24 For purposes of these asset tests, any shares of qualified REIT subsidiaries are not taken into account, and any assets owned by the qualified REIT subsidiary are treated as owned directly by the REIT.

15.25 Securities, for purposes of the asset tests, may include debt the Company holds. However, the following types of arrangements generally will not be considered securities held by the Company for purposes of the 10% value test: (1) straight debt securities of an issuer which meet the requirements of Code Section 856(m)(2), discussed below; (2) any loan to an individual or an estate; (3) any Section 467 rental agreement, other than with certain related persons; (4) any obligation to pay rents from real property as defined in Code Section 856(d)(1); (5) any security issued by a state or any political subdivision thereof, the District of Columbia, a foreign government or any political subdivision thereof, or the Commonwealth of Puerto Rico, but only if the determination of any payment received or accrued under such security does not depend in whole or in part on the profits of any entity not described in the category or payments on any obligation issued by such an entity; (6) any security issued by a REIT; or (7) any other arrangement as determined by the IRS. Under Code Section 856(m)(2), debt generally will constitute "straight debt" if the debt is a written unconditional promise to pay on demand or on a specified date a sum certain in money (i) which is not convertible, directly or indirectly, into stock and (ii) the interest rate (or the interest payment dates) of which is not contingent on the profits, the borrower's discretion or similar factors. However, a security may satisfy the definition of "straight debt" even though the time of payment of interest or principal thereunder is subject to a contingency, if: (a) such contingency does not have the effect of changing the effective yield to maturity more than the greater of 0.25% or 5% of the annual yield to maturity, or (b) neither the aggregate issue price nor the aggregate face amount of the issuer's debt instruments held by the REIT exceeds $1 million and not more than 12 months of unaccrued interest can be required to be prepaid thereunder. Second, a security can satisfy the definition of "straight debt" even though the time or amount of any payment thereunder is subject to a contingency upon a default or the exercise of a prepayment right by the issuer of the debt, provided that such contingency is consistent with customary commercial practice.

15.26 Certain "look-through" rules apply in determining a REIT partner's share of partnership securities for purposes of the 10% value test. Under such rules, a REIT's interest as a partner in a partnership is not considered a security, and the REIT is deemed to own its proportionate share of each of the assets of the partnership. In addition, the REIT's interest in the partnership assets is the REIT's proportionate interest in any securities issued by the partnership, other than securities qualifying for the above safe harbors. Therefore, a REIT that is a partner in a partnership must look through both its equity interest and interest in non-safe harbor debt securities issued by the partnership. Any non-safe harbor debt instrument issued by a partnership will not be considered a security to the extent of the REIT's interest as a partner in the partnership. Also, any non-safe harbor debt instrument issued by a partnership will not be considered a security if at least 75% of the partnership's gross income (excluding gross income from prohibited transactions) is derived from the sources described in Code Section 856(c)(3), which sets forth the general REIT income test.

15.27 Certain corporate or partnership securities that otherwise would qualify under the straight debt safe harbor will not so qualify if the REIT holding such securities, and any of its controlled taxable REIT subsidiaries, holds other securities of the issuer which are not securities qualifying for any safe harbors if such non-qualifying securities have an aggregate value greater than 1% of the issuer's outstanding securities.

15.28 With respect to each issuer in which the Company currently owns an interest that does not qualify as a REIT, a qualified REIT subsidiary or a taxable REIT subsidiary, the Company believes that its pro rata share of the value of the securities, including unsecured debt, of any such issuer does not exceed 5% of the total value of its assets and that it complies with the 10% voting securities limitation and 10% value limitation (taking into account the debt safe harbors with respect to certain issuers). With respect to the Company's compliance with each of these asset tests, however, the Company cannot provide any assurance that the IRS might not disagree with its determinations.

15.29 After initially meeting the asset tests after the close of any quarter, the Company will not lose its status as a REIT if it fails to satisfy the 25%, 20% or 5% asset tests at the end of a later quarter solely by reason of changes in the relative values of its assets. If the failure to satisfy any such test arises immediately after, and is wholly or partly the result of, the acquisition of securities or other property during a quarter, the failure can be cured by a disposition of sufficient non-qualifying assets within 30 days after the close of that quarter. The Company has maintained and intends to continue to maintain adequate records of the value of its assets to ensure compliance with the asset tests and to take any

available actions within 30 days after the close of any quarter as may be required to cure any noncompliance with the 25%, 20% or 5% asset tests. The Company cannot ensure that these steps always will be successful. If the Company were to fail to cure the noncompliance with the asset tests within this 30 day period, it could fail to qualify as a REIT.

15.30 A REIT will not lose its REIT status for failing to satisfy the requirements of the 5% and 10% tests if such failure is due to the ownership of assets the total value of which does not exceed the lesser of: (i) 1% of the total value of the REIT's assets at the end of the quarter for which such measurement is done or (ii) $10 million. However, the REIT must either: (x) dispose of the assets within six months after the last day of the quarter in which the REIT identifies the failure (or such other time period prescribed by the IRS), or (y) otherwise meet the requirements of those rules by the end of such time period.

15.31 In addition, if a REIT fails to meet any of the asset test requirements for a particular quarter, and the failure exceeds the above-described de minimis standard, then the REIT still will be considered to have satisfied these tests if the REIT satisfies several requirements. First, the REIT's failure to satisfy the particular asset test must be due to reasonable cause and not due to willful neglect. Second, the REIT must file a schedule of the assets resulting in such failure with the IRS in accordance with the regulations and must dispose of the assets within six months after the last day of the quarter in which the REIT identified the failure (or such other time period prescribed by the IRS) or otherwise meet the requirements of those rules by the end of such time period. Finally, the REIT must pay a tax equal to the greater of $50,000 or the amount determined by multiplying the highest corporate tax rate by the net income generated by the assets described in the schedule for the period beginning on the first date that the failure occurs and ending on the earlier of (i) the date when the REIT disposes of such assets or (ii) the end of the first quarter when the REIT no longer fails to satisfy the particular asset test.

15.32 Also, if a REIT fails to satisfy requirements other than the income or asset tests, the REIT will not lose its qualification as a REIT provided such violations are due to reasonable cause and not due to willful neglect and the REIT pays a penalty of $50,000 for each such failure.

Annual Distribution Requirements

15.33 In order to qualify as a REIT, the Company must distribute dividends (other than capital gain dividends) to its stockholders in an amount at least equal to (i) the sum of (a) 90% of its "REIT taxable income" (computed without regard to the dividends paid deduction and its net capital gain) and (b) 90% of the net income (after tax), if any, from foreclosure

property, minus (ii) the sum of certain items of noncash income. Such distributions generally must be paid in the taxable year to which they relate. Dividends may be paid in the following year in two circumstances. First, dividends may be declared in the following year if the dividends are declared before the Company timely files its tax return for the year and paid within 12 months of the end of the tax year but before the first regular dividend payment made after such declaration (although in this case the REIT will pay a 4% excise tax on the undistributed taxable income from the prior year). Second, if the Company declares a dividend in October, November or December of any year with a record date in one of these months and pays the dividend on or before January 31 of the following year, it will be treated as having paid the dividend on December 31 of the year in which the dividend was declared. To the extent that the Company does not distribute all of its net capital gain or distribute at least 90%, but less than 100%, of its "REIT taxable income," as adjusted, the Company will be subject to tax on the nondistributed amount at regular capital gains and ordinary corporate tax rates. Furthermore, if the Company should fail to distribute during each calendar year at least the sum of (i) 85% of its REIT ordinary income for such year; (ii) 95% of its REIT capital gain income for such year; and (iii) any undistributed taxable income from prior periods, the Company will be subject to a non-deductible 4% excise tax on the excess of such required distribution over the amounts actually distributed.

15.34 The Company has made and intends to continue to make timely distributions sufficient to satisfy the annual distribution requirements. It is possible, however, that the Company, from time to time, may not have sufficient cash or liquid assets to meet the distribution requirements due to timing differences between the actual receipt of income and actual payment of deductible expenses and the inclusion of such income and deduction of such expenses in arriving at the Company's taxable income, or if the amount of nondeductible expenses such as principal amortization or capital expenditures exceeds the amount of noncash deductions. In the event that such timing differences occur, in order to meet the distribution requirements, the Company may arrange for short-term, or possibly long-term, borrowing or pay distributions in the form of taxable stock dividends to permit the payment of required dividends. If the amount of nondeductible expenses exceeds noncash deductions, the Company may refinance its indebtedness to reduce principal payments and may borrow funds for capital expenditures.

15.35 Under certain circumstances, the Company may be able to rectify a failure to meet the 90% distribution requirement for a year by paying "deficiency dividends" to stockholders in a later year that may be included in its deduction for dividends paid for the earlier year. Thus, in those cases the Company may avoid being subject to income tax by distributing

deficiency dividends; however, the Company will be required to pay the 4% excise tax plus interest to the IRS based upon the amount of any deduction taken for deficiency dividends.

Failure to Qualify as a REIT

15.36 If the Company fails to qualify for taxation as a REIT in any taxable year and no relief provisions apply, it will be subject to tax (including any applicable alternative minimum tax) on its taxable income at regular corporate rates. Distributions to stockholders in any year in which the Company fails to qualify as a REIT will not be deductible by the Company, nor will such distributions be required to be made. In such event, all distributions to stockholders will be taxable as ordinary income to the extent of the Company's current and accumulated earnings and profits (although non-corporate taxpayers may be eligible for the preferential rates on qualified dividend income with respect to such distributions) and corporate distributees may be eligible for the dividends received deduction. Unless entitled to relief under specific statutory provisions, the Company will also be disqualified from taxation as a REIT for the four taxable years following the year during which qualification was lost. It is not possible to state whether in all circumstances the Company would be entitled to such statutory relief.

Tax Cuts and Jobs Act of 2017

15.37 The United States statute popularly known as the Tax Cuts and Jobs Act of 2017 (the "**Tax Act**") reduced the 35% maximum corporate income tax rate to a flat 21% corporate rate which would be applicable to any federal income tax liability the Company incurs. The Tax Act also permanently eliminated the corporate alternative minimum tax, including for REITs, and limited the net interest expense deduction, including for REITs, to 30% of the sum of adjusted taxable income, business interest, and certain other amounts. For purposes of the limitation on interest deductions, adjusted taxable income does not include items of income or expense not allocable to a trade or business, business interest or expense, the new deduction for qualified business income as discussed below, net operating losses, and for years prior to 2022, deductions for depreciation, amortization, or depletion. The Tax Act allows a real property trade or business to elect out of this interest limit so long as it uses a 40-year recovery period for nonresidential real property, a 30-year recovery period for residential rental property, and a 20-year recovery period for related improvements described below. Disallowed interest expense is carried forward indefinitely (subject to special rules for partnerships). The application of the interest deduction limit began in 2018, and may increase the amount of required

distributions on the Company's common stock. In addition, the net operating loss deduction is limited to 80% of taxable income (before the 20% deduction).

Taxation of Stockholders

As used in the remainder of this discussion, the term "non-U.S. stockholder" means a beneficial owner of the Company's common stock that is for U.S. federal income tax purposes):

- a nonresident alien individual;
- a non-U.S. corporation;
- a non-U.S. partnership; or
- an estate or trust that in either case is not subject to U.S. federal income tax on a net income basis.

The term "non-U.S. stockholder" does not include a holder of shares of Common Stock where:

- the gain of such holder is effectively connected with the conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, such holder maintains a permanent establishment in the United States to which such gain is attributable); or
- the holder is a nonresident alien individual present in the United States for 183 days or more during the taxable year of the disposition and certain other requirements are met.

If a partnership or entity treated as a partnership for U.S. federal income tax purposes holds shares of the Company's stock, the U.S. federal income tax treatment of a partner generally will depend upon the status of the partner and the activities of the partnership. A partner of a partnership holding shares of the Company's stock should consult its own tax advisor regarding the U.S. federal income tax consequences to the partner of the acquisition, ownership and disposition of shares of the Company's stock by the partnership.

The rules governing United States federal income taxation of nonresident alien individuals, foreign corporations, foreign partnerships and other foreign stockholders (which are referred to collectively as Non-U.S. stockholders) are complex, and no attempt will be made herein to provide more than a limited summary of such rules. The discussion does not consider any specific facts or circumstances that may apply to a particular Non-U.S. stockholder. Prospective Non-U.S. stockholders should consult with their own tax advisors to determine the impact of United States federal, state and local income tax laws with regard to an investment in the Company's stock, including any reporting requirements.

REIT Distributions

15.38 Distributions that are not attributable to gain from sales or exchanges by the Company of United States real property interests and not designated by the Company as capital gain dividendsor retained capital gains will be treated as dividends of ordinary income to the extent that they are made out of the Company's current or accumulated earnings and profits. Such distributions ordinarily will be subject to awithholding tax equal to 30% of the gross amount of the distribution unless an applicable tax treaty reduces such rate or eliminates the tax. However, if income from the investment in the Company's stock is treated as effectively connected with the Non-U.S. stockholder's conduct of a United States trade or business, the Non-U.S. stockholder generally will be subject to tax at graduated rates in the same manner as U.S. stockholders are taxed with respect to such dividends (and may also be subject to a branch profits tax of up to 30% if the stockholder is a foreign corporation). Then Company expects to withhold United States federal income tax at the rate of 30% on the gross amount of any dividends paid to a Non-U.S. stockholder that are not designated as capital gain dividends, unless a lower treaty rate or another reason for a reduced or zero withholding rate applies and the Non-U.S. stockholder files with the Company an IRS Form W-8BEN, W8-BEN-E, W-8EXP, W-8IMY or W-8ECI evidencing eligibility for that reduced or zero withholding rate. The Convention between the Government of the United States of America and the Government of the State of Israel with respect to Taxes on Income (the "**Israel-U.S. Treaty**") provides that an Israeli resident individual who is a beneficial owner of U.S. REIT shares may be eligible for a 25% withholding rate if such individual owns less than a 10% interest in the REIT. The question of whether an individual may claim benefits under the Israel-U.S. Treaty will depend on an individual's specific circumstances.

15.39 Distributions in excess of the Company's current and accumulated earnings and profits will not be taxable to a stockholder to the extent that they do not exceed the adjusted basis of the stockholder's stock, but rather will reduce the adjusted basis of such shares. To the extent that such distributions exceed the adjusted basis of a Non-U.S. stockholder's shares, they will give rise to tax liability if the Non-U.S. stockholder would otherwise be subject to tax on any gain from the sale or disposition of his or her stock as described below. The Company may be required to withhold United States federal income tax at the rate of at least 15% on distributions to Non-U.S. stockholders that are not paid out of current or accumulated earnings and profits unless the Non-U.S. stockholders provide the Company with withholding certificates evidencing their exemption from withholding tax. If it cannot be determined at the time that such a distribution is made whether or not such distribution will be in excess of current and accumulated earnings and profits, the

distribution will be subject to withholding at the rate applicable to dividends. However, the Non-U.S. stockholder may seek a refund of such amounts from the IRS if it is subsequently determined that such distribution was, in fact, in excess of the Company's current and accumulated earnings and profits.

15.40 Although the law is not clear on the matter, if the Company elects to retain and pay income tax on its long-term capital gains, it appears that amounts the Company designates as retained capital gains in respect of stock held by Non-U.S. stockholders generally should be treated with respect to Non-U.S. stockholders in the same manner as the Company's actual distributions of capital gain dividends. Under this approach, a Non-U.S. stockholder would be able to offset as a credit against its United States federal income tax liability its proportionate share of the tax treated as paid by it on such retained capital gains, and to receive from the IRS a refund to the extent its proportionate share of such tax treated as paid by it exceeds its actual United States federal income tax liability.

15.41 For any year in which the Company qualifies as a REIT, distributions that are attributable to gain from sales or exchanges by us of United States real property interests will be taxed to a Non-U.S. stockholder under the provisions of the Foreign Investment in Real Property Tax Act of 1980 ("**FIRPTA**"). Under FIRPTA, these distributions generally are taxed to a Non-U.S. stockholder as if such gain were effectively connected with a United States business. Thus, Non-U.S. stockholders will be taxed on such distributions at the normal capital gain rates applicable to U.S. stockholders (subject to applicable alternative minimum tax and a special alternative minimum tax in the case of nonresident alien individuals). Also, distributions subject to FIRPTA may be subject to a 30% branch profits tax in the hands of a corporate Non-U.S. stockholder not entitled to treaty relief or exemption. The Company is required by applicable Treasury Regulations to withhold 35% of any distribution that could be designated by the Company as a capital gain dividend or, in certain circumstances, distributions following a designation of a prior distribution as a capital gain dividend. This amount is creditable against the Non-U.S. stockholder's FIRPTA tax liability. Effective for taxable years beginning after October 22, 2004, however, REIT distributions attributable to gain from sales or exchanges of United States real property interests will be treated as ordinary income dividends rather than effectively connected income under the FIRPTA rules if (1) the 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 (2) the foreign investor does not own more than 10% (5% for REIT distributions made before December 18, 2015) of the class of stock at any time during the taxable year within which the distribution is received. Capital gain dividends received by a Non-U.S. stockholder from a REIT that are attributable to

dispositions by that REIT of assets other than United States real property interests are generally not subject to U.S. income or withholding tax.

Sale or Exchange of REIT Stock

15.42 Gain recognized by a Non-U.S. stockholder upon the sale or exchange of the Company's stock generally would not be subject to United States federal income taxation unless:

- the investment in the Company's stock is effectively connected with the Non-U.S. stockholder's United States trade or business, in which case the Non-U.S. stockholder will be subject to the same treatment as domestic stockholders with respect to any gain;
- the Non-U.S. stockholder is a non-resident alien individual who is 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-resident alien individual will be subject to a 30% tax on the individual's net capital gains for the taxable year; or
- the Company's stock constitutes a United States real property interest within the meaning of FIRPTA, as described below.

15.43 The Company's stock will not constitute a United States real property interest if it is a U.S. controlled REIT. The Company will be a U.S. controlled REIT if, at all times during a specified testing period, less than 50% in value of its stock is held directly or indirectly by Non-U.S. stockholders.

15.44 The Company believes that, currently, it is a U.S. controlled REIT and, therefore, that the sale of its stock would not be subject to taxation under FIRPTA. Because the Company's stock is publicly traded, however, it cannot guarantee that it is or will continue to be a U.S. controlled REIT. However, for taxable years beginning after December 18, 2015, the Company is permitted to presume that a person holding less than 5 percent of any class of its stock is a United States person, absent actual knowledge to the contrary.

15.45 Even if the Company does not qualify as a U.S. controlled REIT at the time a Non-U.S. stockholder sells its stock, gain arising from the sale still would not be subject to FIRPTA tax if:

- the class or series of shares sold is considered regularly traded under applicable Treasury Regulations on an established securities market, such as the NYSE; and
- the selling Non-U.S. stockholder owned, actually or constructively, 10% or less in value of the outstanding class or series of stock being sold throughout the five-year period ending on the date of the sale or exchange.

15.46 If gain on the sale or exchange of the Company's stock were subject to taxation under FIRPTA, the Non-U.S. stockholder would be subject to regular United States federal income tax with respect to any gain in the same manner as a taxable U.S. stockholder, subject to any applicable alternative minimum tax and 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 IRS.

15.47 The Company believes that its Common Stock will be treated as regularly traded on an established securities market located in the United States because the Company's Common Stock is traded on the New York Stock Exchange; however, there can be no assurances that this will be the case.

Share Distributions

15.48 The Company has not made, but in the future may make, distributions to holders of shares of Common Stock that are paid in shares of Common Stock. In certain circumstances, these distributions may be intended to be treated as dividends for U.S. federal income tax purposes and, accordingly, would be treated in a manner consistent with the discussion above regarding ordinary dividends and capital gain dividends. If the Company (or the applicable withholding agent) is required to withhold an amount in excess of any cash distributed along with the shares of Common Stock, some of the shares that would otherwise be distributed will be retained and sold in order to satisfy such withholding obligations.

Qualified Shareholders and Qualified Foreign Pension Funds

15.49 The Company stock will not be treated as a United States real property interest subject to FIRPTA, if the stock is held directly (or indirectly through one or more partnerships) by a "qualified shareholder" or "qualified foreign pension fund." Similarly, any distribution made to a "qualified shareholder" or "qualified foreign pension fund" with respect to the Company stock will not be treated as a gain from the sale or exchange of a United States real property interest to the extent that the stock held by such qualified shareholder or qualified foreign pension fund is not treated as a United States real property interest.

15.50 A "qualified shareholder" generally means a foreign person which (i) (x) is eligible for certain income tax treaty benefits of a comprehensive income tax treaty with the United States which includes an exchange of information program and the principal class of interests of which is listed and regularly traded on at least one recognized stock exchange or (y) is a foreign limited partnership created or organized in a jurisdiction that has an agreement with the United States for the exchange of information with respect to taxes,

has a class of limited partnership units which is regularly traded on the NYSE or NASDAQ, and such units' value is greater than 50% of the value of all the partnership's units; (ii) is a "qualified collective investment vehicle;" and (iii) maintains certain records with respect to certain of its owners. A "qualified collective investment vehicle" is a foreign person which (i) is entitled, under a comprehensive income tax treaty with the United States, to certain reduced withholding rates with respect to ordinary dividends paid by a REIT even if such person holds more than 10% of the stock of the REIT; (ii) (x) is a publicly traded partnership that is not treated as a corporation, (y) is a withholding foreign partnership for purposes of chapters 3, 4 and 61 of the Code, and (z) if the foreign partnership were a United States corporation, it would be a United States real property holding corporation, at any time during the five-year period ending on the date of disposition of, or distribution with respect to, such partnership's interest in a REIT; or (iii) is designated as a qualified collective investment vehicle by the Secretary of the U.S. Treasury and is either fiscally transparent within the meaning of Section 894 of the Code or is required to include dividends in its gross income, but is entitled to a deduction for distribution to a person holding interests (other than interests solely as a creditor) in such foreign person.

15.51 Notwithstanding the foregoing, if a foreign investor in a qualified shareholder directly or indirectly, whether or not by reason of such investor's ownership interest in the qualified shareholder, holds more than 10% of the Company's stock, then a portion of the stock held by the qualified shareholder (based on the foreign investor's percentage ownership of the qualified shareholder) will be treated as a United States real property interest in the hands of the qualified shareholder and will be subject to FIRPTA.

15.52 A "qualified foreign pension fund" is any trust, corporation, or other organization or arrangement (A) which is created or organized under the law of a country other than the United States, (B) which is established to provide retirement or pension benefits to participants or beneficiaries that are current or former employees (or persons designated by such employees) of one or more employers in consideration for services rendered, (C) which does not have a single participant or beneficiary with a right to more than 5% of its assets or income, (D) which is subject to government regulation and provides annual information reporting about its beneficiaries to the relevant tax authorities in the country in which it is established or operates, and (E) with respect to which, under the laws of the country in which it is established or operates, (i) contributions to such organization or arrangement that would otherwise be subject to tax under such laws are deductible or excluded from the gross income of such entity or taxed at a reduced rate, or (ii) taxation

of any investment income of such organization or arrangement is deferred or such income is taxed at a reduced rate.

Backup Withholding and Information Reporting

15.53 Regarding non-U.S. stockholders, the Company and other payors are required to report payments of dividends on IRS Form 1042-S even if the payments are exempt from withholding. However, the stockholder is otherwise generally exempt from backup withholding and information reporting requirements with respect to:

- dividend payments and
- the payment of the proceeds from the sale of the Company's stock effected at a U.S. office of a broker,

as long as the income associated with these payments is otherwise exempt from U.S. federal income tax, and:

- the payor or broker does not have actual knowledge or reason to know that the stockholder is a U.S. person and the stockholder has furnished to the payor or broker:
  - a valid IRS Form W-8BEN or W-8BEN-E, as applicable, or an acceptable substitute form upon which the stockholder has certified, under penalties of perjury, that it is a non-U.S. person, or
  - other documentation upon which the payor or broker may rely to treat the payments as made to a non-U.S. person in accordance with the Treasury Regulations or
- the stockholder otherwise establishes an exemption.

15.54 Payment of the proceeds from the sale of the Company's stock effected at a non-U.S. office of a broker generally will not be subject to information reporting or backup withholding. However, a sale of such shares that is effected at a non-U.S. office of a broker will be subject to information reporting and backup withholding if:

- the proceeds are transferred to an account maintained by the stockholder in the United States,
- the payment of proceeds or the confirmation of the sale is mailed to the stockholder at a United States address; or
- the sale has some other specified connection with the United States as provided in the Treasury Regulations

unless the broker does not have actual knowledge or reason to know that the stockholder is a U.S. person and the documentation requirements described above are met or the stockholder otherwise establishes an exemption.

15.55 In addition, a sale of the Company's stock will be subject to information reporting if it is effected at a non-U.S. office of a broker that is:

- a U.S. person,
- a controlled foreign corporation for U.S. federal income tax purposes,
- a non-U.S. person, 50% or more of whose gross income is effectively connected with the conduct of a U.S. trade or business for a specified three-year period, or
- a non-U.S. partnership, if at any time during its tax year:
  - one or more of such non-U.S. partnership's partners are "U.S. persons," as defined in the Treasury Regulations, who in the aggregate hold more than 50% of the income or capital interest in the partnership or
  - such non-U.S. partnership is engaged in the conduct of a U.S. trade or business,

unless the broker does not have actual knowledge or reason to know that the stockholder is a United States person and the documentation requirements described above are met or the stockholder otherwise establishes an exemption. Backup withholding will apply if the sale is subject to information reporting and the broker has actual knowledge that the stockholder is a U.S. person.

15.56 A stockholder generally may obtain a refund of any amounts withheld under the backup withholding rules that exceed its income tax liability by filing a refund claim with the IRS.

Foreign Account Tax Compliance Act (FATCA)

15.57 Withholding taxes may apply to certain types of payments made to "foreign financial institutions" (including investment entities) and certain other non-U.S. entities as designated in the Code, the Treasury Regulations, or applicable intergovernmental agreement between the United States and a foreign country. A withholding tax of 30% generally will be imposed on dividends on, and gross proceeds from the sale or other disposition of, shares of the Company's stock paid to (a) a foreign financial institution (as the beneficial owner or as an intermediary for the beneficial owners) unless such foreign financial institution agrees to verify, report and disclose its U.S. accountholders and meets certain other specified requirements or (b) a non-financial foreign entity that is the

beneficial owner of the payment unless such entity certifies that it does not have any substantial U.S. owners or furnishes identifying information regarding each substantial U.S. owner and such entity meets certain other specified requirements. Applicable Treasury Regulations provide that these rules generally will apply to payments of dividends on shares of the Company's stock and to payments of gross proceeds from a sale or other disposition of shares of the Company's stock after December 31, 2018. The Company will not pay any additional amounts in respect of any amounts withheld. Non-U.S. stockholders are encouraged to consult their tax advisors regarding the particular consequences to them of this legislation and guidance.

Federal Estate Taxes

15.58 Company stock held by a non-U.S. stockholder at the time of death will be included in the stockholder's gross estate for U.S. Federal estate tax purposes, unless an applicable estate tax treaty provides otherwise.

Other Tax Considerations

15.59 State, Local and Foreign Taxes. The Company and its stockholders may be subject to state, local or foreign taxation in various jurisdictions, including those in which the Company or its stockholders transact business or reside. The state, local and foreign tax treatment of the Company and its stockholders may not conform to the United States federal income tax consequences discussed above. Any foreign taxes incurred by the Company would not pass through to stockholders as a credit against their U.S. federal income tax liability. Consequently, prospective stockholders should consult their own tax advisors regarding the effect of state and local tax laws on an investment in the Company's stock.

15.60 Legislative Proposals. The Company's and its stockholders' present U.S. federal income tax treatment may be modified by legislative, judicial or administrative actions at any time, which may be retroactive in effect. The rules dealing with U.S. federal income taxation are constantly under review by Congress, the IRS and the Treasury Department, and statutory changes as well as promulgation of new regulations, revisions to existing statutes, and revised interpretations of established concepts occur frequently. The Company is not aware of any pending legislation that would materially affect its or shareholder's taxation as described herein. Each stockholder should, however, consult with his or her advisors concerning the status of legislative proposals that may pertain to a purchase of shares of the Company's capital stock.

## 16. Israeli Taxation in Connection with the Company's Shares

**As is customary when making decisions regarding financial investments, one must consider the tax consequences arising from investing in the securities offered in this Listing Document. The provisions included in this Listing Document regarding the taxation of securities offered herein do not purport to be an authoritative interpretation of the statutory provisions referred to in this Listing Document and do not replace professional advice based on the specific parameters and particular circumstances of each investor. Additionally, the provisions included reflect the provisions of the law as they are on the date of this Listing Document, and these may change by the date of the actual offer of the said securities under this Listing Document.**

**Note, to the extent that the securities registered under this Listing Document are offered to employees of the Company, as discussed in Section 12 of this Listing Document, the tax implications which are set forth below will likely change, with respect to the securities offered and their terms.**

**Similarly, note that the statements below relate solely to the tax consequences on Israeli investors. Therefore, a foreign resident interested in acquiring the offered securities should receive professional tax advice prior to making such an acquisition.**

**In 2020, the Israel Tax Authority's Professional Department issued a tax ruling to a U.S. REIT that deals mainly with the taxation of income generated for the shareholders from the distribution of income by the REIT (the "Tax Ruling"). For additional details, see Sections 16.4 to 16.8 below. This section refers to the manner of taxation of Israeli investors only in accordance with the Israeli tax laws. Therefore, a foreign resident holding and/or interested in purchasing the securities of the Company is advised to seek professional counsel before making the investment.**

**This Listing Document describes the tax obligations in Israel, solely regarding Israeli investors, as well as the tax obligations of Israeli residents (or other non-U.S. residents) in the United States of America, including withholding tax that takes place there. Please review the U.S. tax provisions set forth in Section 15 of this Listing Document.**

16.1 Capital Gains on the Sale of Shares

16.1.1 In accordance with Section 91 of the Income Tax Ordinance [New Version], 5721-1961 (the "**Ordinance**"), a Real Capital Gain on the sale of securities by an individual who is an Israeli resident is subject to tax at the individual's marginal tax rate under Section 121 of the Ordinance, but at a rate that does not exceed twenty five percent (25%), and the capital gains rate will be deemed to be in the highest bracket of such individ'al's taxable income. The foregoing does not include the sale of securities by an individual who is"a "Substantial

Sharehol”er" of the Company, i.e., one who holds, directly or indirectly, alone or jointly with another, at least ten percent (10%) of one or more types of means of control (as defined in Section 88 of the Ordinance) of the Company on the date of the sale of the securities or at any time during the 12 months prior to such sale, for whom the tax rate on a Real Capital Gain will be a maximum of thirty percent (30%). Furthermore, where an individual claimed real interest expenses and linkage differences on securities, the capital gain on the sale of the securities will be liable to tax at a rate of thirty percent (30%), until the determination of guidelines and conditions for the deduction of real interest expenses under Sections 101A(a)(9) and 101A(b) of the Ordinance. The foregoing reduced tax rate will not apply to an individual whose income from the sale of the securities is considered income from a “business” or “vocation” in accordance with the provisions of Section 2(1) of the Ordinance since in that case, the marginal tax rate under Section 121 of the Ordinance would apply.

Specifically regarding an individual, when calculating the capital gains earned from the sale of a securitiy whose value is linked to a foreign currency, the conversion rate is used as an index for calculating inflation.

16.1.2 A company will be liable to tax on Real Capital Gains on the sale of securities at the corporate tax rate prescribed in Section 126(a) of the Ordinance (for the year 2021, 23%).

16.1.3 Exempt mutual funds, provident funds and tax exempt entities under Section 9(2) of the Ordinance are exempt from tax on capital gains from the sale of securities. The income of a taxable mutual fund from the sale of securities is subject to the tax rate applying to the income of an individual that does not constitute income froma "business" or "vocation," unless explicitly determined otherwise. In the absence of a special tax rate for the income, the income will be liable to tax at the tax rate set forth in Section 121 of the Ordinance.

16.1.4 Generally, a foreign resident owes tax on his profits in Israel, only on profits generated or produced in Israel. According to the terms of the Ordinance, the foreign resident is exempt from tax on capital gains arising from the sale of securities listed on the TASE, provided that the capital gains are not from the foreign resid’nt's permanent establishment in Israel and the foreign resident is not held by Israeli residents (in accordance with Section 68A of the Ordinance). In the event that the aforemententioned exemption is not available, the terms of

the tax treaty, if any, between Israel and the country in which the foreign resident resides may apply.

Losses during a tax year that are derived from the sale of securities offered in that tax year and which, had they been capital gains, would have been subject to tax to be paid by the recipient, can be offset against capital gains or real estate appreciation, including gains from the sales of securities, whether publicly traded or not, and whether Israeli or foreign, as well as against interest and dividends paid in respect of those securities or paid for other securities (on condition that the tax rate which is applicable to such interest or dividend is not greater than the corporate tax rate for a company and is not greater than the tax rate established in Sections 125B(1) and 125C(b) of the Ordinance for an individual (a tax rate of 25%)). Offsetting of losses will be executed by an offset of a capital loss against capital gains or dividend or interest income, as discussed.

16.1.5 In accordance with the Income Tax Regulations (Withholding from Consideration, Payment or Capital Gains in the Sale of Securities, in a Sale of a Mutual Fund Unit or in a Future Transaction), 5763-2002 (the "Capital Gains Withholding Regulations"), when calculating the capital gains for the purposes of withholding tax at the source arising from the sale of publicly traded securities, mutual fund units and future transactions ("Tradable Securities"), the one who is required to withhold the tax[4] will offset the capital losses which were created by the sale of the Tradable Securities under its management, provided that the gains were created in the same tax year as the loss, whether before or after the generation of the loss.

16.1.6 In a sale of shares by a corporation, the amount of the capital loss will be reduced by any dividends received in respect of such shares over the 24 months prior to the sale of the shares, except for dividends upon which taxes were paid in Israel at a rate of fifteen percent (15%) or more, but not more than the total amount of the loss.

16.1.7 Insofar as the securities will be delisted from the TASE, the tax that will be withheld at the time of their sale (after the delisting) will be thirty percent (30%) of the proceeds, unless a certificate from the tax assessor is presented which sets

[4] Commencing January 1, 2013, the tax on dividends paid by a TASE-listed Israeli resident corporation in respect of the shares held by the nominee company are withheld at source by the financial institutions (i.e., TASE members). This would not apply to shares of registered shareholders.

forth a different rate of withholding tax at the source (including a complete exemption from withholding tax at the source).

16.1.8 The provisions of the Capital Gains Withholding Regulations do not apply to a financial institution that pays consideration or another form of payment for exempted capital gains to a seller who is a foreign resident, if the foreign resident presented the financial institution with an affidavit on Form 2402 within 14 days of the opening the account and continues to do so once every three years (if the foreign resident or its representative was in Israel), stating that it is a foreign resident and that it is entitled to an exemption.

16.1.9 In general, a foreign resident (an individual or company) is exempt from taxes on capital gains arising from the sale of securities listed on the TASE, provided that the capital gains are not from the foreign resid'nt's permanent establishment in Israel and the foreign resident is not held by Israeli residents (in accordance with Section 68A of the Ordinance). In the event that the aforemententioned exemption is not available, the terms of the tax treaty (if any) between Israel and the country in which the foreign resident resides may apply. Additionally, no tax will be withheld at the source by a banking corporation or TASE member for a foreign resident upon certain conditions.

16.2 [*Reserved*]

16.3 Surtax on High Income

16.3.1 In accordance with Section 121B of the Ordinance, an individual whose taxable income in the 2021 tax year is greater than NIS 647,640 (which amount is adjusted annually in accordance with the consumer price index) will be liable for the portion of his tax that exceeds such amount at an additional rate of 3%. The provisions of this section apply, *inter alia*, to capital gains from securities (excluding the inflationary capital gain component) and income from dividends.

16.4 The Tax Regime Which Applies on shares of Common Stock

Income Classification

16.4.1 Below is a summary of Tax Ruling no. 5916/20 obtained in 2020 by a U.S. REIT from the Israel Tax Authority's Professional Department (the "**Tax Ruling**"), describing the taxation of income accruing to the stockholders of a U.S. REIT in respect of their shares of common stock and distributions deriving thereof. The Company understands that the Tax Ruling reflects the current

position of the ITA on the taxation of stockholders of U.S. REITs, which should apply to the Company's stockholders, as well.

16.4.2 According to the Tax Ruling, as long as the Company is subject to the U.S. REIT taxation rules, proceeds of holders of the Company's shares of Common Stock, due to their holdings in those shares, will be subject to tax in Israel as follows:

16.4.3 In connection with a distribution of proceeds by the Company, including distibutions which are preferred dividends or accrued divdends, as long as the proceeds are not taxed at the Company level in the United States, the classification of the income for the stockolders will be in accordance with the source of the proceeds which were distributed, as follows:

- Distribution of proceeds derived from ordinary income, *i.e.* income from the leasing of real estate in the United States, as well as other current income (including dividends and interest income), will be classified as income from a "business" or "vocation" in accordance with Section 2(1) of the Ordinance.[5]

- Distribution of proceeds derived from capital gains, *i.e.* capital gains from the sale of real estate in the United States, as well as sale of tradable securities, will be classified as income from capital gains in accordance with Section 89(a) of the Ordinance.

- Distribution of proceeds derived from return on capital will be classified as income from capital gains in accordance with Section 89(a) of the Ordinance.

16.4.4 The terms of Section 16.4.3 above will only apply regarding shareholders whose income from investment in the shares is not classified as income under Section 2(1) of the Ordinance, and in that case, such shareholders shall be subject to all applicable legal provisions.

16.4.5 If the Company permanately ceases to be classified as a REIT for tax purposes in the United States, or if it wishes to distribute dividends from income that has

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[5] Meaning, income from a business or vocation that is taxable in accordance with Section 121 of the Ordinance for an individual or Section 126 of the Ordinance for a corporation (regarding individuals generally, in accordance with the marginal income tax rate, which may reach, as of the current date and in addition to the surtax on high income, up to 50%, and regarding companies - the corporate tax rate, which is currently 23%).

been taxed at the corporate level in the United States, a specific tax ruling will be required.

16.4.6 For the avoidance of doubt, the taxation of income shall not impact the cost of shares held by the shareholders. Additionally, the Tax Ruling is limited to income produced or derived from the territory of the United States does not apply to any real estate of income outside the territory of the United States.

Withholding Tax

16.4.7 The TASE members will be responsible for withholding tax at the source with respect to shares of the Company held through them.

For the purposes of the provisions of withholding tax only, in order to facilitate operational efficiency with respect to withholding tax at the source, the disbributions described in Section 16.4.3 will be classified as income from dividends.

16.4.7.1 The TASE members will withhold tax at source in accordance with the Income Tax Regulations (Withholding from Interest, Dividend, and Certain Profit), 5766-2005 as income from dividends, regardless of the classification of the income set forth above. Israeli withholding tax will be taken from the gross amount of the distribution, before deduction of the U.S. tax withheld, if any.

16.4.7.2 **At the time of withholding taxes from the dividend proceeds, as discussed above, TASE members will disregard any tax withheld in the United States and shall not credit the holder for it.** TASE members will record any tax withheld in the United States on Form 867 as a foreign tax that is not permitted for credit.

16.4.7.3 In light of the above, regarding individuals, there may be certain situations in which the aggregate tax withholding rate (i.e., U.S. withholding tax in addition to Israeli withholding tax) may reach 50% of the distributions.

16.5 Upon the sale of shares of the Company, tax will be withheld at source from Capital Gains in accordance with the Income Tax Regulations (Deduction from Consideration, Payment or Capital Gains upon the Sale of Securities, in the Sale of a Unit in a Trust Fund or in a Future Transaction), 5763-2002.

16.6 It is clarified that the shareholders of the Company will be exempt from submitting a filing in the event that they are exempt from submitting a filing in accordance with the Income Tax Regulations (Exemption from Filing a Report), 5748-1988 and if the withholding of tax as stated in Sections 16.5 is at least the entire tax required to be withheld based on the Tax Ruling, or in case the income is classified as stated in Section 16.4.3, including in the event that tax is withheld at source based on the Tax Ruling regarding income as stated in Section 16.4.3 above.

16.7 A shareholder who submits a tax refund request to the Tax Authority, in which he reports and attaches documents regarding income from distributions of the Company based on the classifications as stated in Section 16.4.3, and where tax was withheld in the United States, will be permitted to be credited for tax on the income based on the terms of Sections 16.4.7 and 16.8, and based on the source from which it is distributed.

16.8 Foreign Tax Credit

16.8.1 A credit for tax withheld in the United States for the shareholders will be subject to the provisions of Sections 199 to 210 of the Ordinance.

16.8.2 The credit from tax will be provided if the classification of the income as stated in Section 16.4.3 above and the classification of the income abroad are identical, *i.e.*, provided that a shareholder classified the income for Israeli tax purposes in accordance with the source of income from which it was distributed - all subject to the provisions of the law in Israel.

16.8.3 The credit limit in the calculation of foreign taxes that can be recognized in Israel will be the lower of the tax rate set forth (i) by domestic law or (ii) in a treaty for prevention of double taxation, if acting in accordance therewith, but in any case no more than the amount of foreign taxes actually paid.

16.8.4 In this section, "foreign taxes actually paid" shall mean foreign taxes paid that will not be refunded to the payer from the foreign country (the United States) in any manner.

**Owing to significant tax changes that have occurred in the capital markets in recent years, the proper practice for implementing all of the provisions described above has still not fully developed, and there may be several interpretations regarding the manner of their implementation. Furthermore, there may be changes and updates in the future to the tax provisions described above, and additional term and conditions may apply. Naturally, the content and effect of such changes cannot be foreseen. For the avoidance of doubt, in case the position of the Tax Authority changes in the future, the Company**

**will endeavor to implement such changes.**

**As is customary when making any financial investment decision, one must consider the tax consequences arising from investing in the securities. The above does not purport to constitute a settled interpretation of the provisions of the law and the Tax Ruling or an exhaustive description of the tax provisions related to the taxation of the securities, and does not replace professional consulting on the matter, in accordance with the particular facts and unique circumstances of each investor. It is proposed that the purchasers of the proposed securities will seek professional advice in accordance with the particular figures pertaining to each purchaser of a security.**

17. **Dividends**

17.1 Dividend Policy. The Company's current policy is to pay quarterly common stock dividends in the amount of $0.20 per share. The dividend announced by the Company on January 12, 2022 is payable March 15, 2022, to shareholders of record at the close of business on February 15, 2022.

17.2 There can be no assurance that the Company will pay regular quarterly dividends in the amount set out above, or at all. There are a number of factors that could affect the payment of dividends in the future, as a result of which stockholders may not receive dividends in the amounts paid in past or at all.

17.3 Tax Classification of Dividends. At around the end of January of each year, the Company will announce the classification of the dividend payments distributed during the prior fiscal year. The announcement will relate to boxes in IRS Form 1099-DIV, which are described below (with corresponding numbers to the box numbers in such form):

1a) Non-Qualifying Ordinary Income – Since the Company is a REIT, its dividends are considered ordinary non-qualified dividends. Ordinary non-qualified dividends are taxed at the taxpayer's regular (ordinary income) tax rate. (Qualified dividends are taxed at the long-term capital gains rates of 0%, 15% or 20%, dependent on the taxpayer's taxable income and filing status.)

2a) Long-Term Capital Gain - this represents capital gain on the Company's sale of some of the securities that it was holding, which are passed through to its stockholders.

2b) Unrecaptured Section 1250 Gain - this is not expected to apply to the Company because it typically does not sell assets. This item is designed to recapture the portion of a gain related to previously used depreciation allowances. It is only applicable to the sale of depreciable real estate.

3) Return of Capital – this relates to the excess of the Company's annual distribution over its taxable income for the year (generally tax-free to the extent of a stockholder's basis in its stock and capital gains thereafter).

5) Section 199A Dividends - these are dividends from domestic REITs and other entities that qualify for Section 199A deductions. Since the Company is a REIT, all of its ordinary non-qualified dividends are Section 199A dividends; hence Box 5 is equal to Box 1a. A taxpayer can deduct up to 20% of REIT dividends (limited to 20% of taxable income).

17.4 Dividend Reinvestment Plan. The Company has a Dividend Reinvestment and Stock Purchase Plan (as amended, the "**DRIP**"). Under the terms of the DRIP, stockholders who participate may reinvest all or part of their dividends in additional shares of Common Stock of the Company at a discounted price (approximately 95% of market value) directly from the Company, from authorized but unissued shares of Common Stock. Stockholders may also purchase additional shares of Common Stock at this discounted price by making optional cash payments monthly. Optional cash payments must be not less than $500 per payment nor more than $1,000, unless a request for waiver has been accepted by the Company.

**However, stockholders who hold their shares through nominees, including TASE members, are not entitled to participate in the DRIP**. Any stockholder who wants to participate in the DRIP may do so by having his or her shares registered directly in his or her name with the Company's U.S. transfer agent.

18. **Section 39A of the Securities Law**: The Company agrees that in the event that its Common Stock is delisted from the NYSE and is thereby listed only on the TASE, certain provisions of the Companies law will apply to the Company, as set forth in Section 39A of the Securities Law.

19. **TASE Approval**: The TASE has approved the listing of the outstanding Common Stock and the shares of Common Stock issuable from time to time in the future that are set forth in the first paragraph of this Listing Document. The aforesaid approval of the TASE shall not be deemed as confirmation of any of the details set forth in this Listing Document or of their completeness, and such approval shall not constitute an expression of opinion on the Company or the quality of the securities listed pursuant to this Listing Document.

## Part Two – Exhibits

The SEC filings listed below (and the exhibits to such filings, if any) are linked by active hyperlinks to such documents on the SEC's website. Such documents are incorporated herein by reference and deemed to be filed herewith. Benefical ownership reports filed with the SEC by officers, directors and stockholders of the Company pursuant to the Securities Exchange Act of 1934 are listed separately. The Company does not take responsibility for the content of such beneficial ownership reports.

| | Description | Date Filed |
|---|---|---|
| 1. | Annual Report on Form 10-K (including the Exhibits) | March 10, 2021 |
| 2. | Current Report on Form 8-K (including the Exhibits) | March 10, 2021 |
| 3. | Current Report on Form 8-K (including the Exhibits) | March 26, 2021 |
| 4. | Current Report on Form 8-K (including the Exhibits) | April 1, 2021 |
| 5. | Definitive Proxy Statement on Schedule 14D | April 16, 2021 |
| 6. | Definitive Proxy Statement on Schedule 14D | April 16, 2021 |
| 7. | Definitive Proxy Statement on Schedule 14D | April 30, 2021 |
| 8. | Quarterly report on Form 10-Q (including the Exhibits) | May 6, 2021 |
| 9. | Current Report on Form 8-K (including the Exhibits) | May 6, 2021 |
| 10. | Definitive Proxy Statement on Schedule 14D | May 25, 2021 |
| 11. | Current Report on Form 8-K (including the Exhibits) | June 2, 2021 |
| 12. | Current Report on Form 8-K (including the Exhibits) | June 9, 2021 |
| 13. | Current Report on Form 8-K (including the Exhibits) | June 17, 2021 |
| 14. | Current Report on Form 8-K (including the Exhibits) | July 1, 2021 |
| 15. | Quarterly report on Form 10-Q (including the Exhibits) | August 4, 2021 |
| 16. | Current Report on Form 8-K (including the Exhibits) | August 4, 2021 |
| 17. | Prospectus [Rule 424(b)(5)] | August 17, 2021 |
| 18. | Current Report on Form 8-K (including the Exhibits) | August 17, 2021 |

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| 19. | Current Report on Form 8-K (including the Exhibits) | September 23, 2021 |
| 20. | Current Report on Form 8-K (including the Exhibits) | October 1, 2021 |
| 21. | Quarterly report on Form 10-Q (including the Exhibits) | November 3, 2021 |
| 22. | Current Report on Form 8-K (including the Exhibits) | November 3, 2021 |
| 23. | Current Report on Form 8-K (including the Exhibits) | December 14, 2021 |
| 24. | Current Report on Form 8-K (including the Exhibits) | December 23, 2021 |
| 25. | Current Report on Form 8-K (including the Exhibits) | January 13, 2022 |
| 26. | Current Report on Form 8-K (including the Exhibits) | January 14, 2022 |
| 27. | Current Report on Form 8-K (including the Exhibits) | January 28, 2022 |

| **Beneficial Ownership Reports (filed by officers, directors and stockholders of the Company)** | | |
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| | **Description** | **Date Filed** |
| 1. | Statement of changes in beneficial ownership of securities on Form 4 | March 16, 2021 |
| 2. | Statement of changes in beneficial ownership of securities on Form 4 | March 17, 2021 |
| 3. | Statement of changes in beneficial ownership of securities on Form 4 | March 17, 2021 |
| 4. | Statement of changes in beneficial ownership of securities on Form 4 | March 17, 2021 |
| 5. | Statement of changes in beneficial ownership of securities on Form 4 | March 17, 2021 |
| 6. | Statement of changes in beneficial ownership of securities on Form 4 | March 17, 2021 |
| 7. | Statement of changes in beneficial ownership of securities on Form 4 | March 17, 2021 |
| 8. | Statement of changes in beneficial ownership of securities on Form 4 | March 17, 2021 |

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| 9. | Statement of changes in beneficial ownership of securities on Form 4 | March 17, 2021 |
| 10. | Statement of changes in beneficial ownership of securities on Form 4 | March 17, 2021 |
| 11. | Statement of changes in beneficial ownership of securities on Form 4 | March 17, 2021 |
| 12. | Statement of changes in beneficial ownership of securities on Form 4 | March 17, 2021 |
| 13. | Statement of changes in beneficial ownership of securities on Form 4 | March 18, 2021 |
| 14. | Statement of changes in beneficial ownership of securities on Form 4 | March 18, 2021 |
| 15. | Statement of changes in beneficial ownership of securities on Form 4 | March 19, 2021 |
| 16. | Statement of changes in beneficial ownership of securities on Form 4 | March 19, 2021 |
| 17. | Statement of changes in beneficial ownership of securities on Form 4 | March 19, 2021 |
| 18. | Statement of changes in beneficial ownership of securities on Form 4 | March 19, 2021 |
| 19. | Statement of changes in beneficial ownership of securities - amendment on Form 4/A | March 25, 2021 |
| 20. | Statement of changes in beneficial ownership of securities on Form 4 | April 5, 2021 |
| 21. | Statement of changes in beneficial ownership of securities on Form 4 | April 16, 2021 |
| 22. | Statement of changes in beneficial ownership of securities on Form 4 | April 16, 2021 |
| 23. | Statement of changes in beneficial ownership of securities on Form 4 | May 11, 2021 |
| 24. | Statement of changes in beneficial ownership of securities on Form 4 | May 14, 2021 |
| 25. | Statement of changes in beneficial ownership of securities on Form 4 | May 18, 2021 |

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| 26. | Statement of changes in beneficial ownership of securities on Form 4 | June 2. 2021 |
| 27. | Statement of changes in beneficial ownership of securities on Form 4 | June 17, 2021 |
| 28. | Statement of changes in beneficial ownership of securities on Form 4 | June 17, 2021 |
| 29. | Statement of changes in beneficial ownership of securities on Form 4 | June 17, 2021 |
| 30. | Statement of changes in beneficial ownership of securities on Form 4 | June 17, 2021 |
| 31. | Statement of changes in beneficial ownership of securities on Form 4 | June 17, 2021 |
| 32. | Statement of changes in beneficial ownership of securities on Form 4 | June 17, 2021 |
| 33. | Statement of changes in beneficial ownership of securities on Form 4 | June 17, 2021 |
| 34. | Statement of changes in beneficial ownership of securities on Form 4 | June 17, 2021 |
| 35. | Statement of changes in beneficial ownership of securities on Form 4 | June 17, 2021 |
| 36. | Statement of changes in beneficial ownership of securities on Form 4 | June 17, 2021 |
| 37. | Statement of changes in beneficial ownership of securities on Form 4 | June 17, 2021 |
| 38. | Statement of changes in beneficial ownership of securities on Form 4 | June 21, 2021 |
| 39. | Statement of changes in beneficial ownership of securities on Form 4 | June 21, 2021 |
| 40. | Statement of changes in beneficial ownership of securities on Form 4 | June 22, 2021 |
| 41. | Statement of changes in beneficial ownership of securities on Form 4 | June 23, 2021 |
| 42. | Statement of changes in beneficial ownership of securities on Form 4 | July 15, 2021 |

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| 43. | Statement of changes in beneficial ownership of securities on Form 4 | July 15, 2021 |
| 44. | Statement of changes in beneficial ownership of securities on Form 4 | July 15, 2021 |
| 45. | Statement of changes in beneficial ownership of securities on Form 4 | July 16, 2021 |
| 46. | Statement of changes in beneficial ownership of securities on Form 4 | July 16, 2021 |
| 47. | Statement of changes in beneficial ownership of securities on Form 4 | August 18, 2021 |
| 48. | Statement of changes in beneficial ownership of securities on Form 4 | August 20, 2021 |
| 49. | Statement of changes in beneficial ownership of securities on Form 4 | September 2, 2021 |
| 50. | Statement of changes in beneficial ownership of securities on Form 4 | September 14, 2021 |
| 51. | Statement of changes in beneficial ownership of securities on Form 4 | September 16, 2021 |
| 52. | Statement of changes in beneficial ownership of securities on Form 4 | September 16, 2021 |
| 53. | Statement of changes in beneficial ownership of securities on Form 4 | September 16, 2021 |
| 54. | Statement of changes in beneficial ownership of securities on Form 4 | September 16, 2021 |
| 55. | Statement of changes in beneficial ownership of securities on Form 4 | September 16, 2021 |
| 56. | Statement of changes in beneficial ownership of securities on Form 4 | September 16, 2021 |
| 57. | Statement of changes in beneficial ownership of securities on Form 4 | September 16, 2021 |
| 58. | Statement of changes in beneficial ownership of securities on Form 4 | September 16, 2021 |
| 59. | Statement of changes in beneficial ownership of securities on Form 4 | September 17, 2021 |

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| 60. | Statement of changes in beneficial ownership of securities on Form 4 | September 17, 2021 |
| 61. | Statement of changes in beneficial ownership of securities on Form 4 | September 20, 2021 |
| 62. | Statement of changes in beneficial ownership of securities on Form 4 | September 20, 2021 |
| 63. | Statement of changes in beneficial ownership of securities on Form 4 | September 23, 2021 |
| 64. | Statement of changes in beneficial ownership of securities on Form 4 | September 23, 2021 |
| 65. | Statement of changes in beneficial ownership of securities on Form 4 | October 18, 2021 |
| 66. | Statement of changes in beneficial ownership of securities on Form 4 | November 16, 2021 |
| 67. | Statement of changes in beneficial ownership of securities on Form 4 | November 16, 2021 |
| 68. | Statement of changes in beneficial ownership of securities on Form 4 | November 18, 2021 |
| 69. | Statement of changes in beneficial ownership of securities on Form 4 | November 30, 2021 |
| 70. | Statement of changes in beneficial ownership of securities on Form 4 | December 16, 2021 |
| 71. | Statement of changes in beneficial ownership of securities on Form 4 | December 16, 2021 |
| 72. | Statement of changes in beneficial ownership of securities on Form 4 | December 17, 2021 |
| 73. | Statement of changes in beneficial ownership of securities on Form 4 | December 17, 2021 |
| 74. | Statement of changes in beneficial ownership of securities on Form 4 | December 17, 2021 |
| 75. | Statement of changes in beneficial ownership of securities on Form 4 | December 17, 2021 |
| 76. | Statement of changes in beneficial ownership of securities on Form 4 | December 17, 2021 |

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| 77. | Statement of changes in beneficial ownership of securities on Form 4 | December 17, 2021 |
| 78. | Statement of changes in beneficial ownership of securities on Form 4 | December 17, 2021 |
| 79. | Statement of changes in beneficial ownership of securities on Form 4 | December 17, 2021 |
| 80. | Statement of changes in beneficial ownership of securities on Form 4 | December 17, 2021 |
| 81. | Statement of changes in beneficial ownership of securities on Form 4 | December 17, 2021 |
| 82. | Statement of changes in beneficial ownership of securities on Form 4 | December 17, 2021 |
| 83. | Statement of changes in beneficial ownership of securities on Form 4 | December 20, 2021 |
| 84. | Statement of changes in beneficial ownership of securities on Form 4 | December 28, 2021 |
| 85. | Initial Statement of beneficial ownership of securities on Form 3 | December 29, 2021 |
| 86. | Statement of changes in beneficial ownership of securities on Form 4 | January 12, 2022 |
| 87. | Statement of changes in beneficial ownership of securities on Form 4 | January 13, 2022 |
| 88. | Statement of changes in beneficial ownership of securities on Form 4 | January 13, 2022 |
| 89. | Statement of changes in beneficial ownership of securities on Form 4 | January 14, 2022 |
| 90. | Statement of changes in beneficial ownership of securities on Form 4 | January 14, 2022 |
| 91. | Statement of changes in beneficial ownership of securities on Form 4 | January 14, 2022 |
| 92. | Statement of changes in beneficial ownership of securities on Form 4 | January 14, 2022 |
| 93. | Statement of changes in beneficial ownership of securities on Form 4 | January 14, 2022 |

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| 94. | Statement of changes in beneficial ownership of securities on Form 4 | January 14, 2022 |
| 95. | Statement of changes in beneficial ownership of securities on Form 4 | January 14, 2022 |
| 96. | Statement of changes in beneficial ownership of securities on Form 4 | January 14, 2022 |
| 97. | Statement of changes in beneficial ownership of securities on Form 4 | January 14, 2022 |
| 98. | Statement of changes in beneficial ownership of securities on Form 4 | January 19, 2022 |
| 99. | General statement of acquisition of beneficial ownership – amendment on Schedule 13D/A | January 26, 2022 |
| 100. | General statement of acquisition of beneficial ownership – amendment on Schedule 13D/A | February 1, 2022 |