

IGRE
Investment Grade R.E. Income Fund, LP
Institutional Quality Real Estate

FAQs

What is the total anticipated amount of the IGRE Fund?

\$100 million, consisting of \$40 million of Investor Equity Capital and \$60 million of 1st trust deed bank financing, fixed rate for 10 years not to exceed 4% interest pursuant to a non-binding term sheet from Morgan Stanley & Co.

What is the preferred annual distribution?

Our preferred distribution is targeted at 6% (non-compounded), paid monthly, backed by long-term (10 years or more) lease agreements. *Distributions are not guaranteed.*

What types of properties does the Fund invest in? How many? Where?

The Fund invests in existing properties that meet each of the following criteria:

- Single-tenant and multi-tenant net-lease properties in suburban neighborhoods located throughout the United States.
- Tenants are “Investment Grade” rated, or of comparable creditworthy quality. Leases will be for a minimum term of 10 years and contractually backed by the parent company.
- Tenants are classified as “Essential” businesses, selling “Necessity-Based” products that historically have been in demand regardless of the state of the economy. Examples include grocery stores, pharmacies, distribution & fulfillment centers, healthcare facilities, home improvement & cellular providers.
- Tenants who successfully withstood the 2008 financial crises and the current pandemic all while meeting their financial obligations timely, including dividend and rent payments.

How many properties will the Fund own, and where will they be located?

The Fund is acquiring approximately 15-20 properties, geographically dispersed throughout the U.S.

What is a Net-Lease?

A long term lease agreement where in addition to rent payments, the tenant is solely responsible for all operating costs related to the property. These generally include property taxes, insurance premiums, maintenance and repairs, utilities and most other expenses.

How is "Investment Grade" determined and what does it mean?

"Investment Grade" is determined by credit rating agencies such as Standard & Poors and Moody's. Companies with ratings of BBB- or above from Standard & Poors, or Baa3 or above from Moody's, are considered "Investment Grade". These credit ratings represent a company's potential for repaying loans and the tenant's rent obligations are backed by the Full Faith and Credit of the parent company. The better the credit rating, the lower the risk of default. We intend for the tenants of the Fund to be primarily comprised of investment grade or of comparable creditworthy quality.

Who is eligible to invest in the IGRE Fund?

The fund is a Regulation A, Tier Two offering that permits accredited and non-accredited investors the opportunity to participate in a program that has been historically limited to high net worth and institutional investors. Non-accredited investors are limited to invest no more than the greater of 10% of their annual income or net worth. Additional restrictions and conditions may apply.

What is the expected hold period and exit strategy?

Our expected holding period is between 5-7 years. We will sell our properties individually, if a compelling opportunity arises, or in a packaged form, whereby we sell our entire portfolio to a high net worth individual or an institutional investor. Alternatively, we may list on a public exchange. Because this is a Regulation A, Tier Two offering, the transfer/resell of units is more readily available than a traditional Reg D offering.

What are some of the key highlights of the Fund?

We expect at least 80% of our leases will consist of tenants with an investment grade rating, and all others will have credit of comparable quality.

- Tenants will primarily be in businesses that sell essential products or services, and/or who have weathered the 2008-09 financial crisis, as well as the COVID pandemic.
- It will target existing buildings already leased to investment grade tenants (no development)
- It is pursuing properties that have automatic rental increases included and an existing lease with 10 years or more or leases with an opportunity to extend.
- Diversification in geography, industry and tenant mix.
- Single and multi-tenant properties with Net-Leases which means the tenant pays most expenses of the building to include taxes, insurance and most maintenance.
- Tenant rent obligations are backed by the Full Faith and Credit of the parent company.

Important Disclosures:

This material is neither an offer to sell nor the solicitation of an offer to buy any security. An offer to sell securities can be made only by an offering circular, pursuant to a registration statement, and any amendments thereto, then qualified and or filed with the Securities Exchange Commission (SEC). Investors must read the entire Offering Circular for investment conditions, risk factors, minimum requirements, fees and expenses and other pertinent information with respect to the offering.

The investors will have an opportunity to evaluate the Fund's investment ahead of time which makes this investment speculative and involves substantial risks, which might cause you to lose all or a significant part of your investment. If the Fund is unable to find suitable investments, it may not be able to pay distributions or meet its investment objectives. This is an illiquid investment meaning there is no public market for the Units. If investors are able to sell their units it will likely be at a substantial discount from the offering price.

There can be no assurance the investment objectives described will be achieved. Risks include but are not limited to the following: limited operating history, absence of a public market for these securities, inability to find suitable investments, reliance on the General Partner, devotion of time and potential conflict of interests of the general partner, lack of diversification in property holdings, reliance on single or multi-tenant for revenue, competition within individual geographical areas, potential loss of part or all of the real estate investment assets, natural disasters or impacts of a pandemic.

Prior to investing, you should read the complete Final Offering Circular as filed under Regulation A Offering Statement on Form 1-A under the Securities Act of 1933 with the U.S. Securities and Exchange Commission (SEC). You may inspect the Offering Statement, exhibits and schedules filed with the SEC at the SEC's principal office in Washington, D.C. Copies of all or any part of the Offering Statement may be obtained from the Public Reference Section of the SEC, 100 F Street, NE, Washington, DC 20549. Please call the SEC at (202) 942-8088 for further information on the operation of the public reference rooms.

The SEC also maintains a web site at <http://www.sec.gov> that contains reports, proxy statements and information regarding registrants that file electronically with the SEC. Alternatively, you may contact the issuer who is located at 831 State Street, Suite 280, Santa Barbara, California 93101 or the company's web site at www.igrefund.com.

Securities are being offered on a best-efforts basis on behalf of Investment Grade R. E. Income Fund, LP by Emerson Equity, LLC member FINRA/SIPC, Managing Broker-Dealer for the issuer. Investment Grade R.E. Income Fund, LP and Emerson Equity, LLC are not affiliated entities.