



**Supplement No. 1 dated August 4, 2023  
to the Offering Memorandum dated December 12, 2022**

**Wander Atlas REIT, Inc.  
10,000,000 Shares of Common Stock**

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This Supplement No. 1, dated as of August 4, 2023 (this “Supplement”) updates, amends or restates certain information provided in the Offering Memorandum of Wander Atlas REIT, Inc., dated as of December 12, 2022 (the “Memorandum”). Any statement contained in the Memorandum shall be deemed to be modified or superseded for all purposes to the extent that a statement contained herein modifies or supersedes such statement. This Supplement forms a part of the Memorandum and should be read in conjunction with the Memorandum. Capitalized terms used but not defined in this Supplement are used as defined in the Memorandum.

This Supplement includes:

- an update to the Wander Atlas portfolio;
- the transaction price for each class of Wander Atlas common stock as of April 1, 2023;
- the calculation of the NAV per share for all share classes as of March 31, 2023; and
- other updates to the Memorandum.

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## PORTFOLIO UPDATE

For the quarter ended June 30, 2023, REIT’s total NAV was \$8,071,473, NAV per share was \$11.47, and total quarterly annualized return was 8.0%. There are six (6) total properties in three (3) states with a gross asset value (“GAV”) of \$18.8MM. NAV increased 9.1% versus the quarter ended March 31, 2023.

### Common Stock Transaction Price

The transaction price for each share class of our common stock for subscriptions accepted as of August 1, 2023, is \$11.47, which is based on the NAV per share of \$11.47.

### NAV Per Share Calculation

We calculate NAV per share in accordance with the valuation guidelines that have been approved by the Board. Please refer to the “*Summary of Material Agreements, Our Stock and Our Corporate Governance – Valuation Policies*” subsection in the Memorandum for more information regarding how our NAV is determined. The Advisor is ultimately responsible for determining our NAV.

All of our property investments are appraised annually by third party appraisal firms in accordance with our valuation guidelines. Transactions or events have occurred since December 12, 2022, that could have a material impact on our NAV per share, upon which our transaction price is based.

We have included a breakdown of the components of total NAV and NAV per share for June 30, 2023, along with the amounts reflected in the Memorandum. The following table provides a breakdown of the major components of our total NAV as of June 30, 2023:

	TOTAL REIT	Anchor Bay	Orford Cliffs	Bandon Beach	Tahoe Slopes	Surfside Beach	Anchor Cove
Property Value	17,200,000	2,800,000	1,675,000	2,300,000	3,525,000	3,600,000	3,300,000
CapX	8,812	-	-	-	-	-	8,812
FF&E	678,195	178,606	76,232	91,856	78,360	185,126	68,015
Closing Costs	519,682	70,487	43,885	72,005	227,010	96,581	9,714
Acquisition Fee	321,000	48,000	30,000	42,000	63,000	72,000	66,000
Financing Fee	109,125	15,000	11,250	15,000	23,625	19,500	24,750
Construction Mgmt Fee	-	-	-	-	-	-	-
<b>Total Property Cost Basis (GAV)</b>	<b>18,836,814</b>	<b>3,112,093</b>	<b>1,836,367</b>	<b>2,520,861</b>	<b>3,916,995</b>	<b>3,973,207</b>	<b>3,477,291</b>
Less Property-Level Debt Balance	10,765,341	1,465,374	1,101,065	1,465,358	2,308,544	1,950,000	2,475,000
<b>Total NAV</b>	<b>8,071,473</b>	<b>1,646,719</b>	<b>735,302</b>	<b>1,055,503</b>	<b>1,608,451</b>	<b>2,023,207</b>	<b>1,002,291</b>
<b>Total Shares Outstanding</b>	<b>703,933</b>						
<b>NAV per Share</b>	<b>11.47</b>						

For purposes of NAV, we recognize the Management Fee and accrued formation costs as a reduction of NAV on a monthly basis as such fees and costs are paid. We have agreed under the Memorandum not to begin paying Management Fees until AUM exceeds \$5 million and formation costs until AUM exceeds \$10 million.

We are currently offering, on a continuous basis, shares of our common stock as described and outlined in the Memorandum.

## **PROSPECTUS SUMMARY**

[The following subsections in the “*Prospectus Summary*” section of the Memorandum are hereby amended and restated as follows:]

### **Q: Who is Wander?**

A: Wander is a uniquely verticalized luxury short-term rental company. Wander is the sponsor of Wander Atlas REIT, Inc. (“Wander Atlas,” “Wander REIT,” “Atlas,” “we,” “us,” or “our”). Wander owns its homes, manages those homes as luxury short-term rentals, has its own marketplace and has developed proprietary technology to manage the homes and their infrastructure. Wander is backed by leading investors including QED, Redpoint, Susa Ventures, and Authentic Ventures, and is partnered with leading banks.

### **Q: What is a real estate investment trust, or REIT?**

A: In general, a REIT is a corporation that:

- combines the capital of many investors to acquire or provide financing for real estate assets;
- offers the benefits of a real estate portfolio under professional management;
- satisfies the various requirements of the Internal Revenue Code of 1986, as amended (the “Code”), including a requirement to distribute to stockholders at least 90% of its REIT taxable income each year; and
- is generally not subject to U.S. federal corporate income taxes on its net taxable income that it currently distributes to its stockholders, which substantially eliminates the “double taxation” (*i.e.*, taxation at both the corporate and stockholder levels) that generally results from investments in a C corporation.

We will elect to be treated as a REIT for U.S. federal income tax purposes beginning with our taxable year ending December 31, 2023.

### **Q: What is the per share purchase price?**

A: Shares will be sold at the then-current transaction price, which is generally the prior fiscal quarter’s NAV per share (“Transaction Price”). We are offering shares directly so there are no dealer manager related fees or commissions although we reserve the right to change how we offer shares in the future. Although the offering price for shares of our Common Stock is generally based on the prior fiscal quarter’s NAV per share, the NAV per share of such stock as of the date on which your purchase is settled may be significantly different. We may offer shares of our Common Stock at a price that we believe reflects the NAV per share of such stock more appropriately than the prior fiscal quarter’s NAV per share, including by updating a previously disclosed offering price, in exceptional cases where we believe there has been a material change (positive or negative) to our NAV per share since the end of the prior fiscal quarter due to the aggregate impact of factors such as general significant market events or disruptions or force majeure events.

### **Q: How is your NAV per share calculated?**

A: Our NAV is calculated by the Advisor quarterly based on the net asset values of our investments (including securities investments), the addition of any other assets (such as cash on hand) and acquisitions, and the deduction of any other liabilities. An independent valuation firm, Valentiam, was selected by the Advisor and approved by our Board, to serve as our independent valuation advisor and review quarterly NAV calculated by the Advisor and annual third-party appraisals of our properties. In addition, we will update the valuations of our properties quarterly, based on the most recent annual third-party appraisals and current market data and other relevant information, with review and confirmation for reasonableness by our independent valuation advisor. Third-party appraisals are updated

periodically in the discretion of the Advisor but in no event less than annually. While the independent valuation advisor reviews for reasonableness the assumptions, methodologies and valuation conclusions applied by the Advisor for our property and certain real estate debt and other securities valuations, the independent valuation advisor is not responsible for, and does not calculate, our NAV. Our NAV per share is calculated by the Advisor which is ultimately responsible for the determination of our NAV.

NAV is not a measure used under generally accepted accounting principles in the U.S. (“GAAP”) and the valuations of and certain adjustments made to our assets and liabilities used in the determination of NAV will differ from GAAP. You should not consider NAV to be equivalent to stockholders’ equity or any other GAAP measure. See “*Summary of Material Agreements, Our Stock and Our Corporate Governance – Valuation Policies*” for more information regarding the calculation of our NAV per share and how our properties and real estate debt will be valued.

**Q: When may I make purchases of shares and at what price?**

**A:** Subscriptions to purchase our Common Stock may be made on an ongoing basis, but investors may only purchase our Common Stock pursuant to accepted subscription orders as of the first calendar day of each month (based on the prior month’s transaction price), and to be accepted, a subscription request must be received in good order at least five business days prior to the first calendar day of the month (unless waived by Advisor). The purchase price per share of Common Stock will be equal to the then-current transaction price, which will generally be our prior fiscal quarter’s NAV per share as of the last calendar day of such fiscal quarter. We may offer shares at a price that we believe reflects the NAV per share of such stock more appropriately than the prior fiscal quarter’s NAV per share, including by updating a previously disclosed transaction price, in cases where we believe there has been a material change (positive or negative) to our NAV per share since the end of the prior fiscal quarter. See “*Plan of Distribution - How to Subscribe*” for more details.

For example, if you wish to subscribe for shares of our Common Stock in October, your subscription request must be received in good order at least five business days before November 1. Generally, the offering price will equal the NAV per share of the applicable class as of the last calendar day of September. If accepted, your subscription will be effective on the first calendar day of November.

**Q: When will the Transaction Price be available?**

**A:** Generally, within 15-30 calendar days after the last calendar day of each fiscal quarter, we will determine our NAV per share as of the last calendar day of the prior fiscal quarter, which will generally be the transaction price for the then-current fiscal quarter for such share class. However, in certain circumstances, the Transaction Price will not be made available until a later time. We will disclose the Transaction Price for each fiscal quarter when available on our website [www.wander.com/atlas](http://www.wander.com/atlas).

Generally, you will not be provided with direct notice of the Transaction Price when it becomes available. Therefore, if you wish to know the transaction price prior to your subscription being accepted you must check our website, though we reserve the right to provide the information directly or by some other means and to otherwise modify subscription procedures in our discretion. See “*Plan of Distribution - How to Subscribe.*”

**Q: Will the distributions I receive be taxable as ordinary income?**

**A:** Generally, distributions that you receive, including cash distributions that are reinvested pursuant to our distribution reinvestment plan, will be taxed as ordinary income to the extent they are paid from our current or accumulated earnings and profits. Dividends received from REITs are generally not eligible to be taxed at the lower U.S. federal income tax rates applicable to individuals for “qualified dividends” from C corporations (i.e., corporations generally subject to U.S. federal corporate income tax). However, non-corporate U.S. holders (as defined below), including individuals, generally may deduct up to 20% of dividends from a REIT, other than capital gain dividends and dividends treated as qualified dividend income, for taxable years beginning before January 1, 2026 for purposes of determining their U.S. federal income tax (but not for purposes of the 3.8% Medicare tax), subject to certain holding period requirements and other limitations.

We may designate a portion of distributions as capital gain dividends taxable at capital gain rates to the extent we recognize net capital gains from sales of assets. In addition, a portion of your distributions may be considered return of capital for U.S. federal income tax purposes. Amounts considered a return of capital generally will not be subject to tax but will instead reduce the tax basis of your investment. This, in effect, defers a portion of your tax until your shares are repurchased, you sell your shares, or we are liquidated, at which time you generally will be taxed at capital gains rates.

Because each investor's tax position is different, you should consult with your tax advisor. In particular, non-U.S. investors should consult their tax advisors regarding potential withholding taxes on distributions that you receive. To be clear, nothing noted above or otherwise in connection with this offering is or purports to be and may not be relied upon tax, accounting or legal advice to you as an investor. Your personal advisors should be contacted for such purposes.

**Q: Will I be notified of how my investment is doing?**

A: We intend to provide you with periodic updates on the performance of your investment with us, including:

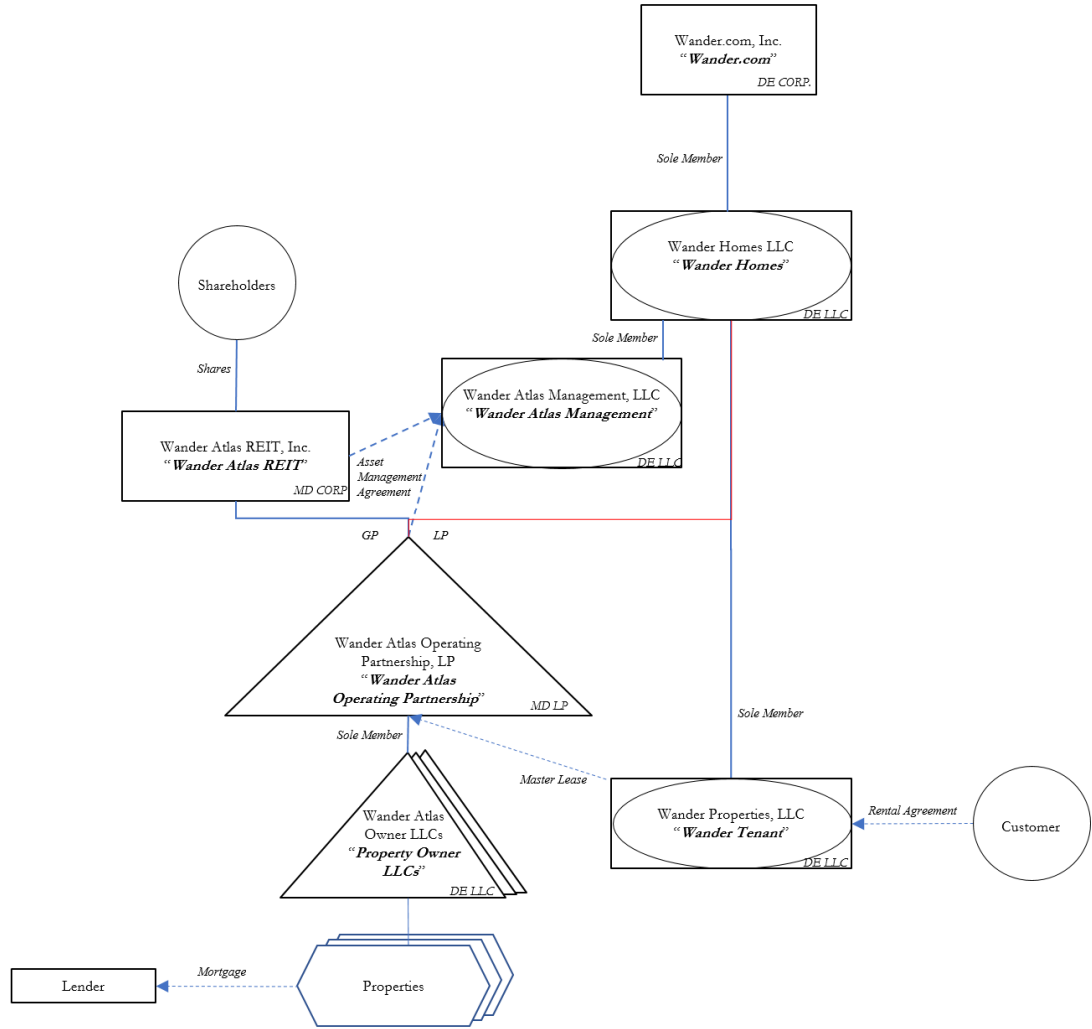
- monthly investor updates;
- an investor dashboard;
- periodic supplements to the Memorandum when appropriate;
- an annual report;
- in the case of certain U.S. stockholders, an annual Internal Revenue Service ("IRS") Form 1099-DIV or IRS Form 1099-B, if required, and, in the case of non-U.S. stockholders, an annual IRS Form 1042-S; and
- Our quarterly NAV per share for each class will be posted on our website promptly after it has become available.

The form, content, manner, timing and all other aspects of such communications are in our and the Advisor's discretion.

**Q: How do you structure the ownership and operation of your assets?**

A: We own, and continue to plan to own, all or substantially all of our assets through the Operating Partnership. We are the general partner of the Operating Partnership. The use of our Operating Partnership to hold all of our assets is referred to as an Umbrella Partnership Real Estate Investment Trust ("UPREIT"). Using an UPREIT structure may give us an advantage in acquiring properties from persons who want to defer recognizing a gain for U.S. federal income tax purposes.

The following chart shows our current ownership structure and our relationship with Wander, the Advisor, the Operating Partnership and related entities:



## OFFERING SUMMARY

[The following subsections in the “*Offering Summary*” section of the Memorandum are hereby amended and restated as follows:]

*The following is a summary of the key terms of the offering of Wander Atlas shares. Certain of the terms and conditions described below are subject to important limitations and exceptions. The following is a summary and does not contain all the information that may be important to you. You should review the entirety of this offering memorandum, including the information set forth under the caption “Risk Factors,” and any other related offering materials approved by us before making an investment decision. Unless otherwise specified or the context otherwise requires, the terms “we,” “us,” “our” and the “Issuer” and other similar terms mean Wander Atlas.*

### **Program Overview**

Issuer .....	Wander Atlas REIT, Inc., a Maryland corporation.
Securities Offered .....	Shares of our Common Stock (“ <u>Shares</u> ”).
Properties .....	Single-family properties that are owned or will be owned by the Wander Atlas Operating Partnership, LP and leased through the Master Lease arrangement to Wander Properties, LLC which will manage the Properties as short-term rental properties (each, a “ <u>Property</u> ” and collectively, the “ <u>Properties</u> ”) and their associated assets and liabilities. Initially, Properties will mean the “ <u>Seed Properties</u> ” owned by Property Subsidiaries contributed by Wander and its subsidiaries to the Wander Atlas Operating Partnership in exchange for Operating Partnership Units which units will be redeemed in whole or in part when we have sufficient assets to do so at the sole discretion of the Advisor.
Property Subsidiaries .....	Subsidiaries of Wander Atlas Operating Partnership to each hold one or more Properties (“ <u>Property Subsidiaries</u> ”).
Common Stock .....	Shares of Common Stock represent an equity interest in the Issuer. Investors will be allowed to purchase shares of Common Stock on a continual basis, subject to securities laws limitations and the discretion of the Board and Manager, to postpone sales from time to time. The economic performance of the Common Stock will depend upon our overall performance, including the performance of all the Properties.

We are not obligated to continue to pay a dividend on the Common Stock for any fixed period, and the payment of dividends may be suspended or discontinued at any time in the Board’s discretion and without prior notice. We may enter into credit agreements or other borrowing arrangements in the future that may restrict our ability to declare or pay cash dividends or make other distributions on the Common Stock. Any future determination to declare dividends on the Common Stock will be made at the discretion of the Board, subject to applicable laws, and will depend on a number of factors, including satisfying the REIT distribution requirements; our financial condition, results of operations, capital requirements and contractual restrictions; general business conditions and other factors the Board may deem relevant.

Purchasing and holding shares of Common Stock does not confer title to the underlying properties in the name of the holder of such shares. Holders

are not and have no rights or authority to act in any capacity of, landlord, owner or property manager of the Properties.

Escrow ..... The issuance of the Shares is conditioned on us fully complying with all rules and regulations necessary to maintain our status as a REIT (the “REIT Regulations”). The Company shall maintain a non-interest bearing escrow account (the “Escrow Account”) managed by UMB Bank, N.A. or such subsequent holder of the Escrow Account as determined by the Manager (the “Escrow Agent”). Invested funds will be held in the Escrow Account until such time as the Manager and Escrow Agent confirm the investment complies with applicable laws, has the approval of our broker dealer (if any) and otherwise complies with REIT Regulations. Funds may also be held in the Escrow Account if (i) we elect to issue shares on a periodic basis (which would be no more often than once a week and no less often than once a month) for operational and accounting efficiency purposes, (ii) the Advisor believes it is in the best interest of Issuer to perform further diligence as to whether your subscription is compliant with REIT Regulations, or (iii) if the Advisor on our behalf determines that a particular investment could adversely affect our REIT status either upon subscription or in the future.

In the event the Manager cannot confirm that the investor’s subscription will comply with the REIT Regulations or could adversely affect our REIT status upon subscription or in the future, the investor’s subscription amount will be returned to the investor by the Escrow Agent in full.

Price per share; Minimum Investment... Each share of our Common Stock will initially be offered at \$10.00 per share. There is no limit on the number of shares of Common Stock that may be issued from time to time. We will likely change the initial price in the future based on criteria the Board deems relevant, including, but not limited to, NAV for the Common Stock. Such changes in share price are wholly in the discretion of our Board. The term “NAV” means the most recently announced net asset value as determined by the Board for the Common Stock; provided that, if the Common Stock is listed or admitted to trading on a national securities exchange, the NAV on any date shall mean the last sale price for such Common Stock, regular way, or, in case no such sale takes place on such day, the average of the closing bid and asked prices, regular way, for such Common Stock, in either case as reported in the principal consolidated transaction reporting system with respect to securities listed or admitted to trading on such exchange. See “*Summary of Material Agreements, Our Stock and Our Corporate Governance – Valuation Policies*” and “*Risk Factors – Risks Related to NAV Calculation*” for additional information regarding NAV calculation.

The minimum investment amount in Wander Atlas is \$2,500. Wander Atlas Management may periodically revise or waive the minimum investment amount in its sole discretion. Once the minimum investment amount is met, an investor may purchase additional shares of Common Stock in a minimum amount of \$100 or such greater amount that permits for the purchase of a whole number of such shares, subject at all times to Wander Atlas Management’s discretion.

Purchasing and holding shares of Common Stock does not confer title to the underlying properties in the name of the holder of such shares. Holders

are not and have no rights or authority to act in any capacity of, landlord, owner or property manager of the Properties.

Liquidity ..... Although currently there is no secondary trading market for shares of Common Stock, Issuer has adopted a Repurchase Plan that provides for limited liquidity capped at 5% of NAV annually subject to the conditions, limitations, requirements and restrictions of the Repurchase Plan and in the Issuer and Advisor’s sole discretion. Issuer is not obligated to purchase shares under the Repurchase Plan which is described more fully in the “*Summary of Material Agreements, Our Stock and Our Corporate Governance*” section below. No assurance can be given that we will be successful in repurchasing Shares or potentially at some later date in creating a secondary market, and that even if we do, there can be no assurance a liquid market for the Shares will develop or, if such market develops, that it will be maintained. Additionally, the costs associated with any such exchange have not yet been determined.

Advisor/Asset Manager ..... Wander Atlas Management, LLC, a Delaware limited liability company and wholly-owned subsidiary of Wander Homes LLC (“Wander Atlas Management,” “Manager,” or “Advisor”).

Leverage ..... We may use leverage to enhance total returns to holders of Common Stock through a combination of debt financing, secured loan facilities capital markets financing transactions and/or decentralized finance (DeFi) solutions. Initially, our targeted portfolio-wide leverage is between 60-65% of the fair market value of our Properties, however in the future we may, in our discretion, change the targeted leverage on a per property or portfolio basis. The leverage that might apply to any particular Property, including certain of the Seed Properties, may be higher or lower than the portfolio-wide leverage target and is subject to change based on prevailing market conditions and in the Advisor’s discretion.

Properties may be acquired with or without leverage. Wander Atlas Management will approve the terms of such debt financing. The terms of the leverage may require that it be secured by a pledge of equity in the Wander Atlas Operating Partnership, or each levered Property and its assets (including leases and rents) will likely be secured by a mortgage in favor of the applicable lender and/or a pledge of equity in one or more Property Subsidiaries. We, or one of our subsidiaries, will be the borrower for each loan. Debt financing may not be incurred on all Properties. We and Wander Atlas Management reserve the right at our sole discretion to add debt financing or change the terms of existing debt financing, including the rate, term, loan-to-value ratio (“LTV”), and amortization schedule (including interest-only period, if any) as well as to employ greater or lower leverage on individual Properties based on the investment economics of the applicable Property. Financing terms available to us may be more or less favorable than those that may be obtained for an individual Property or group of Properties.

If a Property does not initially have debt financing in place, we may in our discretion find a lender that will provide debt financing with respect to such Property in the future; however, no assurance can be made as to the availability or terms of such debt financing. The LTV may vary by Property. We may also seek debt financing that is not secured by any

Properties (such as an unsecured credit line), or that is secured by multiple Properties (such as a corporate warehouse line or repurchase facility).

If debt financing is added to a Property, (a) each levered Property and its assets (including leases and rents) is likely to be secured by a mortgage in favor of the applicable lender, and (b) Investors in Common Stock may receive a distribution in an amount equal to some or all of the proceeds, which distribution, if it occurs, may be treated as a dividend, return of capital or capital gain depending on the facts existing at the time. See “*Certain U.S. Federal Income Tax Considerations*” for a discussion of the U.S. federal income tax consequences of such a distribution.

In certain circumstances (for instance, if a high insurance deductible is required to repair or rebuild a Property after a catastrophic loss), we may, but are not obligated to, arrange financing with a lender to address the needs pertaining to the applicable Property or Properties

Stockholders will not be able to negotiate, consent to, or object to the terms of any debt. The lender may also place additional covenants on the terms of the debt. A change in debt terms could lead to higher debt service and related costs and could adversely impact the return on your investment.

Any refinancing, including capital markets financing transactions, could result in a change in the key terms of the debt, including the interest rate, term, amortization schedule (including interest-only period, if any) and other characteristics. Changes to the LTV, rate, term or amortization schedule may impact cash-flow and could result in a reduction in or elimination of distributions. Upon maturity of any indebtedness, or whenever any event of default under the terms of agreements governing the indebtedness with respect to a Property is existing and is continuing, the lender may be entitled to, among other things, sell the loan to another party or take ownership of and sell the applicable Property. The net proceeds from any such sale will be distributed as described in the “Common Stock—Distributions upon Sale of Properties” section below.

Repurchase Plan .....

Issuer has adopted a Repurchase Plan that provides for limited liquidity capped at 5% of NAV annually subject to the conditions, limitations, requirements and restrictions of the Repurchase Plan and in the Issuer and Advisor’s sole discretion. Issuer is not obligated to purchase shares under the Repurchase Plan which is described more fully in the “*Summary of Material Agreements, Our Stock and Our Corporate Governance*” section below. We will not be obligated to repurchase any shares and may choose to repurchase only some, or even none, of the shares that have been requested to be repurchased in any particular month in our discretion. In addition, our ability to fulfill repurchase requests will be subject to a number of limitations as described in the “*Share Repurchases*” section of this prospectus. As a result, share repurchases may not be available each month. Amendment, content, and administration of any Repurchase Plan will be solely in our discretion and that of our Advisor.

The Repurchase Plan we have adopted takes into account the SEC’s current guidance on repurchase plans, including capping total repurchases in any calendar quarter to 1.25% or less of the NAV of all of our outstanding shares of Common Stock as of the first day of such calendar quarter (e.g., March 1, June 1, September 1, or December 1). It is also possible that we may, in our sole discretion and that of Wander Atlas Management, decide to carry excess capacity over to later calendar quarters in that calendar year. However, as we make investments in Properties, the Board and Wander Atlas Management, in their sole discretion, may elect to increase or decrease the amount of shares of Common Stock available for repurchase in any given quarter, but you should not expect that we will ever repurchase more than 5.00% of the shares of Common Stock outstanding during any calendar year. Notwithstanding the foregoing, we will not be obligated to repurchase shares of Common Stock under any Repurchase Plan and we will not be obligated to offer a Repurchase Plan at all.

Voting Rights..... Subject to our charter restrictions on ownership and transfer of its stock and the terms of any other class or series of its stock, each outstanding share of Common Stock entitles the holder thereof to one vote on all matters submitted to a vote of holders of Common Stock, including the election of directors.

Capital Calls ..... Stockholders will not have any capital call obligations.

Incentives for Certain Investors ..... We and Wander Atlas Management reserve the right to offer incentives to certain investors that are not made available to other investors. These incentives may include, among other things, a discounted price per share, promotional giveaways of shares of Common Stock, other equity incentives such as warrants to purchase additional shares of Common Stock, board seats, other governance items, special information rights, special redemption rights or special rights relating to the use of leverage, subject to review by our legal and tax advisors. The foregoing list of incentives is not intended to be exhaustive, and there may be forms of incentive not identified above or no incentives provided.

**Quarterly Distributions**

Distributions ..... For shares of Common Stock: As determined by the Board from time-to-time but expected to be paid quarterly in arrears. Distributions consist of rental payments under the Master Lease and the net proceeds of any property sales less all expenses and fees paid by the Operating Partnership whether under the Management Agreement, pursuant to any financing, or otherwise in connection with the ownership of the properties such as property taxes and the like. These distributions are made pro rata by the Operating Partnership to its partnership unit holders. As a holder of partnership units Wander Atlas receives these distributions, pays any expenses it may have, and then distributes the remaining cash to the stockholders of Wander Atlas pro rata.

Record Dates for Distributions ..... For shares of Common Stock: As determined by the Board from time-to-time. Typically, the record date for distributions will be the last day of the quarter.

Common Stock – Distributions upon Sale of Properties..... To the extent there are any net proceeds from the sale of Properties, we may distribute such proceeds to the holders of shares of Common Stock or retain the funds for other corporate purposes subject to compliance with the REIT distribution requirements.

**Advisor Fees**

Management Fee..... A base fee of 0.65% of GAV, plus an incentive fee of 20% above an 8% hurdle rate as set forth in the Management Agreement, payable to Wander Atlas Management. The base fee is paid monthly, and the incentive fee is allocated monthly but paid annually all out of monthly rental payments to the Operating Partnership. The aggregate values of the Properties under management at any given time will be determined by Wander Atlas Management in its sole discretion. Advisor is paid certain other fees, See “*Summary of Material Agreements, Our Stock and Our Corporate Governance*”.

**Other Terms and Conditions**

Type of Offering..... This offering is made pursuant to Rule 506(c) of Regulation D (“Regulation D”) promulgated under the Securities Act.

Investor Qualification..... Shares of Common Stock are being offered and sold hereunder in a series of private placements to investors who must each be an accredited investor as defined in Rule 501 of Regulation D under the Securities Act.

Subscription Agreement ..... All shares of Common Stock will be sold pursuant to a Subscription Agreement entered into by each investor and us (each, a “Subscription Agreement”). Each Subscription Agreement will contain representations, warranties, covenants and undertakings made by the investor.

Governing Law ..... All shares of Common Stock and all the legal documentation governing the terms of the Common Stock, which consists of the charter and bylaws of the Issuer, as amended, restated, supplemented and otherwise modified from time to time, will be governed by the laws of the State of Maryland.

Ownership Limits ..... Our charter contains restrictions on the ownership and transfer of our stock. The Board may, from time to time, grant waivers from these restrictions, in its sole discretion.

Our charter provides that, commencing December 1, 2022, subject to the exceptions described below, no person or entity may own, or be deemed to own, beneficially or by virtue of the applicable constructive ownership provisions of the Internal Revenue Code of 1986, as amended (the “Code”), more than 9.8%, in value or in number of shares, whichever is more restrictive, of the outstanding shares of our Common Stock (the “common stock ownership limit”) or 9.8% in value of the

outstanding shares of all classes or series of our stock (the “aggregate stock ownership limit”).

We refer to the common stock ownership limit and the aggregate stock ownership limit collectively as the “ownership limits.” See “*Summary of Material Agreements, Our Stock and Our Corporate Governance – Restrictions on Ownership and Transfer.*”

Transfer Restrictions..... Any transferee of shares of Common Stock must represent that it is not a Restricted Purchaser (as defined herein), and any transfer must be exempt from the registration requirements of the Securities Act and any applicable securities laws of any state or any other applicable jurisdiction. See “*Transfer Restrictions.*”

ERISA ..... Investment in our Common Stock is generally open to institutions, including pension and other retirement vehicles, subject to Title I of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), or Section 4975 of the Code, or investors whose assets are deemed to include the assets of such plans (collectively, “ERISA investors”).

We intend to (i) limit investments in our Common Stock by ERISA investors to less than 25% of the total value of each class of our equity, and/or (ii) conduct our affairs so as to qualify for an exemption from the Plan Asset Rule (as defined below), with the intent that our assets generally will not be considered to be “plan assets” for purposes of ERISA or Section 4975 of the Code.

We may require certain representations or assurances from such ERISA investors to ensure compliance with ERISA provisions.

Each ERISA investor should consult its own advisors as to the consequences of making an investment in the Issuer and should also carefully review the discussion below under the heading “Certain ERISA Considerations.”

Risk Factors ..... **Investment in shares of Common Stock involves a high degree of risk.** Investors should carefully review the disclosures and the terms and conditions set forth herein, including under “Risk Factors” and in any related documentation we have approved prior to investing in any share.

Use of Proceeds ..... The proceeds from each sale of shares of Common Stock will be used for our general corporate purposes, including the acquisition of Properties.

Certain U.S. Federal Income Tax Considerations ..... For a discussion of certain United States federal income tax considerations regarding us, our status as a REIT and an investment in the Common Stock, see “*Certain U.S. Federal Income Tax Considerations.*”

Term ..... In accordance with our charter, we will be a corporation with perpetual existence.

## **DESCRIPTION OF BUSINESS**

[The following subsections in the “*Description of Business*” section of the Memorandum are hereby amended and restated as follows:]

### **Our Corporate Structure**

Substantially all of Wander Atlas’s business will be conducted through Wander Atlas Operating Partnership, of which Wander Atlas is the general partner. Wander Atlas’s sole material asset will be the partnership units we hold in Wander Atlas Operating Partnership.

We expect that all of our Properties, including future acquisitions, if any, will be held by Wander Atlas Operating Partnership through various entities created for the purpose of purchasing or developing our various properties. The Wander Atlas Operating Partnership will generate revenue by leasing its properties to Wander Tenant for operation as luxury short-term rentals pursuant to the terms of a master lease agreement (see Master Lease section of this offering memorandum). All net revenue of the Operating Partnership will be distributed to Operating Partnership unit holders after paying operating expense, debt service, management fees and other fees and expenses. Our share of the Operating Partnership’s net revenue will be distributed pro rata to our stockholders.

### **Our Board of Directors**

We operate under the direction of our board of directors, the members of which are accountable to our stockholders as fiduciaries. Our board of directors has retained the Advisor to manage the acquisition, leasing administration and disposition of properties and all other aspects of the business of the Operating Partnership and Wander Atlas, subject to the supervision of the board of directors.

Our board of directors consists of 3 members. The number of directors on the board may change but will not consist of fewer than 3 directors. Our charter provides that at least one director must be an independent director. The current members of our Board are John Andrew Entwistle, Andrew Entwistle and Craig Nelson.

**John Andrew Entwistle** is the Founder and CEO of the Wander Entities, Wander Atlas and the Operating Partnership. He is also the Chairman of the Board of Wander and Wander Atlas. John Andrew is a Thiel Fellow, recipient of the Forbes 30 Under 30 award and he was recently named to Business Insider’s Rising Stars of Real Estate. He started his first internet company at age 13, and at age 17 he co-founded Coder.com (“**Coder**”) – a platform that moves the development environment (where software engineers write code) to an organization’s cloud infrastructure. After co-founding and running Coder as CEO for six years, he stepped down in 2021 and began his next venture, Wander.com.

**Andrew Entwistle** serves as Chief Legal Officer and Corporate Secretary for the Wander Entities, Wander Atlas and the Operating Partnership. Among other things, he has also acted as counsel for various private equity and venture funded entities, acted as counsel in connection with various bankruptcies and restructurings, advised clients on regulatory, disclosure and insurance matters, conducted corporate investigations and risk assessments, and handled complex business and commercial litigation. His clients have included Fortune 500 companies, state pension funds and private institutional investors, and mid and early-stage companies. Mr. Entwistle is a graduate of the University of Notre Dame and the Syracuse University College of Law and over the years he has served on a number of corporate and charitable boards. Mr. Entwistle is also the Managing Partner of Entwistle & Cappucci LLP and the manager of Entwistle Ventures LLC. Mr. Entwistle is the father of John Andrew Entwistle, our CEO.

**Craig Nelson** serves as the Independent Director of Wander Atlas. Craig began his accounting career as a CPA with Coopers & Lybrand (now PricewaterhouseCoopers) in Chicago. First, he audited large companies mostly

in the real estate industry. Later, Craig moved to Houston and worked in the C&L Tax Department where he mostly serviced clients with their M&A activities. He began his legal career in Chicago where he advised clients on corporate matters including M&A, the issuance of debt and/or equity capital; making equity and/or debt investments; management buyouts; the formation of international strategic alliances and business dissolutions. Craig now advises individuals and companies to identify and achieve various business objectives by drawing on his accounting and legal skills. He is currently licensed to practice law in Colorado. Craig received a B.A. in Accounting from the University of Notre Dame, an M.B.A. from the University of Houston and a J.D. from the University of Texas.

Our Board generally meets quarterly or more frequently, as necessary, in addition to meetings of any committees of the board of directors. Our directors are not required to devote all of their time to our business and are only required to devote the time to our business as their duties may require. Consequently, in the exercise of their fiduciary responsibilities, our directors will rely heavily on the Advisor and on information provided by the Advisor.

Our Board has adopted policies on investments and borrowings, the general terms of which are set forth in this prospectus. The board of directors may revise these policies or establish further written policies on investments and borrowings and will monitor our administrative procedures, investment operations and performance to ensure that the policies are fulfilled and are in the best interests of our stockholders. Our board of directors, including our independent director, will review our investment policies with sufficient frequency, and at least annually, to determine that they are in the best interest of our stockholders.

## **Debt Financing**

We use and intend to continue to use leverage in Wander Atlas's portfolio in order to (a) increase our purchasing power, (b) minimize our overall cost of capital and (c) increase ROE for our stockholders. That leverage may take the form of mortgages on individual properties or portfolio-based lending or some variation or combination thereof. We will continue to explore additional financing instruments, both secured and unsecured, to further enhance our competitive position in the marketplace.

Please note that each of the properties in the Initial Portfolio are currently encumbered by mortgages. The aggregate leverage on the Initial Portfolio was between 60-65% loan-to-value. We intend to maintain leverage for the Wander Atlas portfolio (including future acquisitions) in a range in an effort to make leverage accretive. Loan-to-value and other terms will be in our sole discretion.

## **Insurance**

Wander Atlas carries comprehensive liability and property insurance coverage on all of its portfolio properties. In certain regions, our coverage will include additional insurance for flooding, windstorm, environmental hazards, earthquakes and other disasters, as necessitated by each property's unique characteristics. All properties in our portfolio will be adequately insured.

## RISK FACTORS

[The following subsections in the “*Risk Factors*” section of the Memorandum are hereby amended and restated as follows:]

### **Risks Related to Our Business**

#### ***Estimates, analyses or calculations may not reflect actual rental income on Properties.***

As a part of our standard underwriting process, we analyze certain financial metrics and may make these financial metrics available to potential purchasers of shares of Common Stock.

We caution you not to place undue reliance on any of these metrics because they are based solely on our estimates, using data available to us in our underwriting and analytical processes. The actual results of a Property or Properties, as applicable, or the sales price of a share of Common Stock may differ substantially from estimates and target metrics due to numerous factors, including lack of demand or any increase in expenses or loan fees or negative corporate events, among other things. Any appreciation in value in a Property or Properties, as applicable, may not occur to the extent estimated or may not occur at all or the value of a Property or Properties, as applicable. No assurance can be provided that we will achieve the targets we have estimated for underwriting purposes.

For the purposes of calculating our quarterly NAV, our Properties will initially be valued at the lesser of cost or appraised value, which we expect to represent fair value at that time, subject to any variation pursuant to our valuation guidelines. We capitalize acquisition-related costs associated with asset acquisitions.

Each Property will be valued by an independent third-party appraisal firm annually. Annual appraisals may be delayed for a short period in exceptional circumstances. Notwithstanding the foregoing, the properties owned by the Operating Partnership’s subsidiaries will be appraised during the same general time period on an annual basis. Homes purchased after the annual appraisal will be appraised as part of our purchase diligence or, if purchased from Wander or one of its affiliates, a third-party appraisal will be used in connection with the purchase. Each third-party appraisal is performed in accordance with the Uniform Standards of Professional Appraisal Practice (“USPAP”), or the similar industry standard for the country where the property appraisal is conducted. Upon conclusion of the appraisal, the independent third-party appraisal firm prepares a written report with an estimated range of gross market value of the Property. Concurrent with the appraisal process, the Advisor values each Property and, considering the appraisal, among other factors, determines the appropriate valuation within the range provided by the independent third-party appraisal firm. Each appraisal must be reviewed, approved and signed by an individual with the professional designation of MAI (a Designated Member of the Appraisal Institute) or similar designation or, for international appraisals, a public or other certified expert for real estate valuations. We believe our policy of obtaining appraisals by independent third parties will meaningfully enhance the accuracy of our NAV calculation. Any appraisal provided by an independent third-party appraisal firm will be performed in accordance with our valuation guidelines. However, it is important to note that an appraisal is an estimate of value it may not reflect actual market value at any time or the amount that would be realized on a sale or other disposition of the Property.

The Advisor will value our Properties quarterly, based on current material market data and other information deemed relevant, with review for reasonableness by our independent valuation advisor. When an annual appraisal is received, our valuations will fall within range of the third-party appraisal; however, updates to valuations thereafter may be outside of the range of values provided in the most recent third-party appraisal. Although quarterly reviews of each of our real property valuations will be performed by our independent valuation advisor, such reviews are based on asset and portfolio level information provided by the Advisor, including historical or forecasted operating revenues and expenses of the properties, lease agreements on the properties, revenues and expenses of the properties, information regarding recent or planned estimated capital expenditures, the then-most recent annual third-party appraisals, and any other information relevant to valuing the real estate property, which information will not be independently verified by our independent valuation advisor. In cases in which our net equity interests in certain properties have no net asset value due to factors such as cash flow performance or marketability, as reasonably determined by the Advisor, the

Advisor may exclude such properties from the review by our independent valuation advisor. The valuations by the Advisor and its calculation of NAV are in the Advisors' sole discretion subject to guidelines set from time to time by the Board, but again such valuations may not be relied upon as the actual amount that may be realized from a sale or other disposition of the Property.

***There are conflicts of interest in our relationship to our Manager and Wander, including their affiliates, which could result in decisions that are not in the best interests of our stockholders.***

Wander Atlas is now and, in the future, may continue to be subject to conflicts of interest arising out of its relationship with its Manager and Wander. A number of Wander affiliates and vehicles currently have the ability to invest in or acquire certain properties and investments that also align with our investment strategy and guidelines. To the extent that both Wander Atlas and Wander encounter opportunities that satisfy their respective investment strategies, Wander may have to give first priority to purchase the property to its affiliates under certain agreements, including if it meets the requirements of its credit facility. Absent the credit facility priority, there may be a conflict of interest relating to the allocation of investment opportunities that are suitable for us and suitable to Wander over time. As a result, the scope of opportunities available to us may be adversely affected or reduced. It is possible that the allocation policy of Wander may not adequately address all of the conflicts that could arise. The investment allocation may be modified by our Manager and Wander at any time without our consent.

### **Risks Related to Our Qualification and Operation as a REIT**

***If we fail to qualify as a REIT, the amount of dividends we are able to pay would decrease, which could adversely affect the value of our Common Stock.***

We intend to elect to be taxed as a REIT under Sections 856 through 860 of the Code commencing with our taxable year ending December 31, 2023. We intend to be organized and to operate in a manner that will allow us to qualify for taxation as a REIT under the Code commencing with such taxable year. However, we cannot assure you that we will operate in a manner that satisfies the requirements for qualification as a REIT.

Qualification as a REIT involves the satisfaction of numerous requirements under highly technical and complex Code provisions, for which there are only limited judicial and administrative interpretations, as well as the determination of various factual matters and circumstances not entirely within our control. For example, in order to qualify as a REIT, at least 95.0% of our gross income in each year must be derived from qualifying sources, and we must make distributions to our stockholders aggregating annually at least 90.0% of our taxable income (excluding net capital gains). In addition, if we are deemed to receive rental income from a related party, or that is considered to be based on the tenant's income or profits (other than gross revenue), this could cause us to fail to satisfy the income requirements for qualification as a REIT.

If we fail to satisfy all of the requirements for qualification as a REIT, we may be subject to certain penalty taxes or, in some circumstances, we may fail to qualify as a REIT. If we were to fail to qualify as a REIT in any taxable year:

we would be required to pay regular U.S. federal corporate income tax on our taxable income;

we would not be allowed a deduction for amounts distributed to our stockholders in computing our taxable income;

we could be disqualified from treatment as a REIT for the four taxable years following the year during which qualification is lost;

we would no longer be required to make distributions to our stockholders; and

this treatment would substantially reduce amounts available for investment or distribution to our stockholders because of the additional tax liability for the years involved, which could have a material adverse effect on the value of our Common Stock.

Even if we qualify for and maintain our REIT status, we may be subject to certain federal, state, local and foreign taxes on our income and property. For example, if we have net income from a prohibited transaction, that income will be subject to a 100% tax. In addition, our taxable REIT subsidiaries, if any, will be subject to federal, state, local and foreign taxes at the applicable tax rates on their income and property. For example, if we acquire properties in other countries, we may be subject to taxes on our operations within those jurisdictions. Any failure to comply with legal and regulatory tax obligations could adversely affect our ability to conduct business and could adversely affect the value of our Common Stock.

***If the Wander Atlas Operating Partnership failed to qualify as a partnership for federal income tax purposes, we could cease to qualify as a REIT and suffer other adverse consequences.***

We believe that the Wander Atlas Operating Partnership will be treated as a partnership for U.S. federal income tax purposes. As a partnership, the Wander Atlas Operating Partnership is not subject to U.S. federal income tax on its income. Instead, each of its partners is required to pay tax on its allocable share of the income of the Wander Atlas Operating Partnership. No assurances can be given, however, that the IRS will not challenge the Wander Atlas Operating Partnership's status as a partnership for U.S. federal income tax purposes, or that a court would not sustain such a challenge. If the IRS were successful in treating the Wander Atlas Operating Partnership as a corporation for U.S. federal income tax purposes, we could fail to meet the income tests and/or the asset tests applicable to REITs and, accordingly, cease to qualify as a REIT. Also, the failure of the Wander Atlas Operating Partnership to qualify as a partnership would cause it to become subject to federal and state corporate income tax, which would significantly reduce the amount of cash available for debt service and distribution to its partners, including us.

***If we were considered to pay a "preferential dividend" to certain of our stockholders, our status as a REIT could be adversely affected.***

In order to qualify as a REIT, we must annually distribute to our stockholders at least 90% of our REIT taxable income, determined without regard to the deduction for dividends paid and excluding net capital gain. In order for distributions to be counted as satisfying the annual distribution requirements for REITs, and to provide us with a REIT-level tax deduction, the distributions must not be "preferential dividends," unless we are a "publicly offered REIT," which we are not anticipated to be. A dividend is not a preferential dividend if the distribution is pro rata among all outstanding shares of stock within a particular class, and in accordance with the preferences among different classes of stock as set forth in our organizational documents. While we believe that our operations will be structured in such a manner that we will not be treated as inadvertently paying preferential dividends, there is no de minimis exception with respect to preferential dividends. Therefore, if the IRS were to take the position that we had paid a preferential dividend, we may be deemed either to (a) have distributed less than 100% of our REIT taxable income and be subject to tax on the undistributed portion, or (b) have distributed less than 90% of our REIT taxable income, determined without regard to the deduction for dividends paid and excluding net capital gain, and our status as a REIT could be terminated for the year in which such determination is made if we were unable to cure such failure through the payment of a "deficiency dividend." The IRS may provide a remedy to cure such failure if the IRS determines that such failure is (or is of a type that is) inadvertent or due to reasonable cause and not due to willful neglect.

***The tax imposed on REITs engaging in "prohibited transactions" may limit our ability to engage in transactions which would be treated as sales for federal income tax purposes.***

From time to time, we may transfer or otherwise dispose of some of our Properties. Under the Code, unless certain exceptions apply, any gain resulting from transfers of properties that we hold as inventory or primarily for sale to guests in the ordinary course of business could be treated as income from a prohibited transaction subject to a 100% penalty tax. Since we acquire properties for investment purposes, we do not believe that our occasional transfers or disposals of property should be treated as prohibited transactions. However, whether property is held for investment purposes depends on all the facts and circumstances surrounding the particular transaction. The IRS may contend that certain transfers or disposals of properties by us are prohibited transactions. If the IRS were to argue successfully that a transfer or disposition of property constituted a prohibited transaction, then we would be required to pay a 100% penalty tax on any gain allocable to us from the prohibited transaction, and our ability to retain proceeds from real property sales may be jeopardized.

***Ownership of taxable REIT subsidiaries is subject to certain restrictions, and we will be required to pay a 100% penalty tax on certain income or deductions if our transactions with any taxable REIT subsidiaries are not conducted on arm's length terms.***

From time to time, we may own interests in taxable REIT subsidiaries. A taxable REIT subsidiary is a corporation (or entity treated as a corporation for federal income tax purposes) other than a REIT in which a REIT directly or indirectly holds stock, and that has made a joint election with such REIT to be treated as a taxable REIT subsidiary. If a taxable REIT subsidiary owns more than 35% of the total voting power or value of the outstanding securities of another corporation, such other corporation will also be treated as a taxable REIT subsidiary. Other than some activities relating to lodging and health care facilities, a taxable REIT subsidiary may generally engage in any business, including the provision of customary or non-customary services to tenants of its parent REIT. A taxable REIT subsidiary is subject to federal income tax as a regular C corporation. In addition, a 100% excise tax will be imposed on certain transactions between a taxable REIT subsidiary and its parent REIT that are not conducted on an arm's-length basis. A REIT's ownership of securities of a taxable REIT subsidiary is not subject to the 5% or 10% asset tests applicable to REITs. No more than 25% of our total assets may be represented by securities, including securities of taxable REIT subsidiaries, other than those securities includable in the 75% asset test. Further, no more than 20% of the value of our total assets may be represented by securities of taxable REIT subsidiaries. We anticipate that the aggregate value of the stock and other securities of any taxable REIT subsidiaries that we may own will be less than 20% of the value of our total assets, and we will monitor the value of these investments to ensure compliance with applicable asset test limitations. In addition, we intend to structure our transactions with any taxable REIT subsidiaries that we may own to ensure that they are entered into on arm's length terms to avoid incurring the 100% excise tax described above. There can be no assurance, however, that we will be able to comply with these limitations or avoid application of the 100% excise tax discussed above.

***To maintain REIT status, we may be forced to borrow funds during unfavorable market conditions.***

To qualify as a REIT, we generally must distribute to our stockholders at least 90% of our REIT taxable income each year, determined without regard to the deduction for dividends paid and excluding net capital gains, and it will be subject to regular corporate income taxes to the extent that it distributes less than 100% of its REIT taxable income each year. In addition, we will be subject to a 4% nondeductible excise tax on the amount, if any, by which distributions paid by us in any calendar year are less than the sum of 85% of our ordinary income, 95% of our capital gain net income and 100% of our undistributed income from prior years. In order to maintain REIT status and avoid the payment of income and excise taxes, we may need to borrow funds to meet the REIT distribution requirements even if the then prevailing market conditions are not favorable for these borrowings. These borrowing needs could result from, among other things, differences in timing between the actual receipt of cash and inclusion of income for federal income tax purposes, or the effect of non-deductible capital expenditures, the creation of reserves or required debt or amortization payments. These sources, however, may not be available on favorable terms or at all. Our access to third-party sources of capital depends on several factors, including the market's perception of our growth potential, our current debt levels, the market price of our Common Stock, and our current and potential future earnings. We cannot assure you that we will have access to such capital on favorable terms at the desired times, or at all, which may cause us to curtail some or all of our investment activities and/or to dispose of assets at inopportune times, and could adversely affect our financial condition, results of operations, cash flow, cash available for distributions to our stockholders, and per share trading price of our securities.

***Dividends payable by REITs may be taxed at higher rates than dividends of non-REIT corporations, which could reduce the net cash received by stockholders and may be detrimental to our ability to raise additional funds through any future sale of our stock.***

Dividends paid by REITs to U.S. stockholders that are individuals, trusts or estates are generally not eligible for the reduced tax rate applicable to qualified dividends received from non-REIT corporations. U.S. stockholders that are individuals, trusts and estates generally may deduct 20% of ordinary dividends from a REIT for taxable years beginning before January 1, 2026. Although this deduction reduces the effective tax rate applicable to certain dividends paid by REITs, such tax rate is still higher than the tax rate applicable to regular corporate qualified dividends. This may cause investors to view REIT investments as less attractive than investments in non-REIT corporations, which in turn may adversely affect the value of stock in REITs, including shares of our stock.

***Complying with REIT requirements may cause us to liquidate investments or forgo otherwise attractive opportunities.***

To qualify to be taxed as a REIT for U.S. federal income tax purposes, we must ensure that, at the end of each calendar quarter, at least 75.0% of the value of our assets consists of cash, cash items, government securities and “real estate assets” (as defined in the Code), including certain mortgage loans and securities. The remainder of our investments (other than government securities, qualified real estate assets and securities issued by a taxable REIT subsidiary (“TRS”)) generally cannot include more than 10.0% of the outstanding voting securities of any one issuer or more than 10.0% of the total value of the outstanding securities of any one issuer. In addition, in general, no more than 5.0% of the value of our total assets (other than government securities, qualified real estate assets and securities issued by a TRS) can consist of the securities of any one issuer, and no more than 20.0% of the value of our total assets can be represented by securities of one or more TRSs. See “*Certain U.S. Federal Income Tax Considerations — Taxation of Our Company.*” If we fail to comply with these requirements at the end of any calendar quarter, we must correct the failure within 30 days after the end of the calendar quarter or qualify for certain statutory relief provisions to avoid losing our REIT qualification and suffering adverse tax consequences. As a result, we may be required to liquidate or forgo otherwise attractive investments. These actions could have the effect of reducing our income and amounts available for distribution to our stockholders.

In addition to the asset tests set forth above, to qualify to be taxed as a REIT we must continually satisfy tests concerning, among other things, the sources of our income and the amounts we distribute to our stockholders. We may be unable to pursue investments that would be otherwise advantageous to us in order to satisfy the source-of-income or asset-diversification requirements for qualifying to be taxed as a REIT. Thus, compliance with the REIT requirements may hinder our ability to make certain attractive investments.

***If we fail to meet the REIT income tests as a result of receiving non-qualifying income, we would be required to pay a penalty tax in order to retain our REIT status or may fail to qualify as a REIT.***

Certain income we receive could be treated as non-qualifying income for purposes of the REIT requirements. See “*Certain U.S. Federal Income Tax Considerations — Taxation of Our Company—Income Tests.*” For example, rents we receive or accrue from the Wander Tenant will not be treated as qualifying rent for purposes of these requirements if the Master Lease is not respected as a true lease for U.S. federal income tax purposes and is instead treated as a service contract, joint venture or some other type of arrangement. If the Master Lease is not respected as a true lease for U.S. federal income tax purposes, we may fail to qualify to be taxed as a REIT. Even if we have reasonable cause for a failure to meet the REIT income tests as a result of receiving non-qualifying income, we would nonetheless be required to pay a penalty tax in order to retain our REIT status.

***Legislative or other actions affecting REITs could have a negative effect on us or our investors.***

The rules dealing with federal income taxation are constantly under review by persons involved in the legislative process and by the IRS, and the Treasury. Changes to the tax laws, with or without retroactive application, could adversely affect us or our investors, including holders of our Common Stock. How changes in the tax laws might affect us or our investors cannot be predicted. New legislation, Treasury regulations, administrative interpretations or court decisions could significantly and negatively affect our ability to qualify as a REIT, the federal income tax consequences of such qualification, or the federal income tax consequences of an investment in our company. Also, the law relating to the tax treatment of other entities, or an investment in other entities, could change, making an investment in such other entities more attractive relative to an investment in a REIT.

***Distribution requirements imposed by law limit our flexibility.***

To maintain our status as a REIT for federal income tax purposes, we generally are required to distribute to our stockholders at least 90.0% of our taxable income, excluding net capital gains, each year. We also are subject to regular federal corporate income tax to the extent that we distribute less than 100% of our taxable income (including net capital gains) each year.

In addition, we are subject to a 4.0% nondeductible excise tax to the extent that we fail to distribute during any calendar year at least the sum of 85.0% of our ordinary income for that calendar year, 95.0% of our capital gain net income for the calendar year and any amount of that income that was not distributed in prior years.

We intend to make distributions to our stockholders to comply with the distribution requirements of the Code as well as to reduce our exposure to federal income taxes and the nondeductible excise tax. Differences in timing between the receipt of income and the payment of expenses to arrive at taxable income, along with the effect of required debt amortization payments, could require us to borrow funds to meet the distribution requirements that are necessary to achieve the tax benefits associated with qualifying as a REIT.

***Complying with REIT requirements may limit our ability to hedge risk effectively.***

The REIT provisions of the Code may limit our ability to hedge the risks inherent to our operations. As mentioned above, from time to time, we may enter into hedging transactions with respect to one or more of our assets or liabilities. Any income or gain derived by us from transactions that hedge certain risks, such as the risk of changes in interest rates, will not be treated as gross income for purposes of either the 75.0% or the 95.0% gross income test (as defined in “*Certain U.S. Federal Income Tax Considerations*”) unless specific requirements are met. Such requirements include that the hedging transaction be properly identified within prescribed time periods and that the transaction either (i) hedges risks associated with indebtedness issued by us that is incurred to acquire or carry real estate assets or (ii) manages the risks of currency fluctuations with respect to income or gain that qualifies under the 75.0% or 95.0% gross income test (or assets that generate such income). To the extent that we do not properly identify such transactions as hedges, hedge other types of indebtedness or enter into hedges with respect to our assets, the income from those transactions is unlikely to be treated as qualifying income for purposes of the 75.0% and 95.0% gross income tests. As a result of these rules, we may have to limit the use of hedging techniques that might otherwise be advantageous, which could result in greater risks associated with interest rate or other changes than we would otherwise incur.

**Risks Related to NAV Calculation**

***Changes in home prices reflected in the third-party sources we use to determine NAV may have little or no correlation with the actual appreciation or depreciation of the Properties in our Common Stock.***

For the purposes of calculating our quarterly NAV, our Properties will initially be valued at the lesser of cost or appraised value, which we expect to represent fair value at that time, subject to any variation pursuant to our valuation guidelines. We capitalize acquisition-related costs associated with asset acquisitions and related costs necessary to make the properties ready to be leased to Wander Tenant, including property improvements and renovations, FF&E and up-front financing costs.

Each Property will be valued by an independent third-party appraisal firm annually. Annual appraisals may be delayed for a short period in exceptional circumstances. Notwithstanding the foregoing, the Properties owned by the Property Subsidiaries will be appraised during the same general time period on an annual basis. Homes purchased after the annual appraisal will be appraised as part of our purchase diligence or, if purchased from Wander or one of its affiliates, a third-party appraisal will be used in connection with the purchase. Each third-party appraisal is performed in accordance with USPAP, or the similar industry standard for the country where the property appraisal is conducted. Upon conclusion of the appraisal, the independent third-party appraisal firm prepares a written report with an estimated range of gross market values for the Property. Concurrent with the appraisal process, the Advisor values each Property and, considering the appraisal, among other factors, determines the appropriate valuation within the range provided by the independent third-party appraisal firm. Each appraisal must be reviewed, approved and signed by an individual with the professional designation of MAI (a Designated Member of the Appraisal Institute) or similar designation, state licensing or accreditation, or for international appraisals, a public or other certified expert for real estate valuations. We believe our policy of obtaining appraisals by independent third parties will meaningfully enhance the accuracy of our NAV calculation. Any appraisal provided by an independent third-party appraisal firm will be performed in accordance with our valuation guidelines. However, it is important to note that an appraisal is an estimate

of value it may not reflect actual market value at any time or the amount that would be realized on a sale or other disposition of the Property.

The Advisor will value our Properties quarterly, based on current material market data and other information deemed relevant, with review for reasonableness by our independent valuation advisor and determine GAV and NAV. Notwithstanding anything herein to the contrary, the Advisor will value certain investments quarterly in limited circumstances where a quarterly valuation is not practicable, including, without limitation, circumstances in which quarterly valuation information is not available. When an annual appraisal is received, our valuations will fall within range of the third-party appraisal; however, updates to valuations thereafter may be outside of the range of values provided in the most recent third-party appraisal.

Although quarterly reviews of each of the Advisor's GAV and NAV valuations will be performed by our independent valuation advisor, such reviews are based on asset and portfolio level information provided by the Advisor, including historical or forecasted operating revenues and expenses of the properties, lease agreements on the properties, revenues and expenses of the properties, information regarding recent or planned estimated capital expenditures, the then-most recent annual third-party appraisals, and any other information relevant to valuing the real estate property, which information will not be independently verified by our independent valuation advisor. In cases in which our net equity interests in certain properties have no net asset value due to factors such as cash flow performance or marketability, as reasonably determined by the Advisor, the Advisor may exclude such properties from the review by our independent valuation advisor. The valuations by the Advisor and its calculation of GAV and NAV are in the Advisor's sole discretion subject to guidelines set from time to time by the Board, but again such valuations may not be relied upon as the actual amount that may be realized from a sale or other disposition of the Property. The determination of GAV and NAV is not based on, nor intended to comply with, fair value standards under GAAP and will not be subject to independent audit.

You should not consider NAV to be equivalent to stockholders' equity or any other GAAP measure. While we believe our NAV calculation methodologies are consistent with standard industry practices, there is no rule or regulation that requires we calculate NAV in a certain way. The third-party sources upon which we refer to calculate NAV do not solely determine NAV. If a material event occurs between scheduled valuations that our Advisor believes may materially affect the value of any of the Properties in our portfolios, including related liabilities, our Advisor may adjust the NAV calculation to account for the estimated impact. The independent valuation expert is not responsible for and does not prepare NAV per share. NAV per share is calculated by dividing NAV of Common Stock by the number of shares of Common Stock outstanding as of the end of such period, as applicable, prior to giving effect to any share repurchases to be effected for such period.

As there is no public or secondary market for our Common Stock and shares of Common Stock are not currently expected to be listed or traded on any stock exchange or other marketplace, our goal is to provide a reasonable estimate of the value of our shares on a quarterly basis. However, the majority of our assets consist of single-family homes and, as with any real estate, property valuations involve significant professional judgment. The calculated value of our Properties may differ from their actual realizable values or future appraised values and NAV may not be indicative of the price that we would receive for the Properties in our portfolios if sold on the open market at current market conditions. In addition, for any given fiscal quarter, our published NAV per share may not fully reflect certain material events, to the extent that the financial impact of such events on our portfolios is not immediately quantifiable. As a result, the calculation of NAV per share may not reflect the precise amount that might be paid for your shares of Common Stock in a market transaction, and any potential disparity in our NAV per share may be in favor of either stockholders who request their shares of Common Stock to be repurchased, stockholders who buy new shares of Common Stock, or existing holders of Common Stock.

From time to time, our Board, may adopt changes to the valuation guidelines if it (1) determines that such changes are likely to result in a more accurate reflection of GAV, NAV, and TAV or a more efficient or less costly procedure for the determination of NAV and other valuations without having a material adverse effect on the accuracy of such determination or (2) otherwise reasonably believes a change is appropriate for the determination of NAV and/or other valuation. Any changes to the method of valuation will be reviewed by management to ensure the changes are appropriate. The methods used may produce a fair value calculation that is not indicative of net realizable value or reflective of future fair values. Furthermore, while we anticipate that our valuation methods are appropriate and

consistent with other market participants, the use of different methodologies, or assumptions, to determine the fair value could result in a different estimate of fair value at the reporting date.

Any subscriptions that we receive prior to disclosing our NAV adjustment will be executed at the purchase price in effect at the time such subscription is received. Thus, even if settlement occurs following the period for which NAV is re-calculated, the purchase price for the shares will be the price in effect at the time the subscription was received.

*We also use certain third-party sources when we evaluate our NAV on a quarterly basis and there is a risk those reference materials either will not align precisely with our calculation periods or that the third-party sources may cease to provide the information or change their methodology. This could adversely impact the process we use to calculate NAV.*

Third-party data we reference in connection with the NAV calculation may not temporally align with our calculation period or may not be available to use. If, for any reason, the third-party appraisals and certain other third-party data is not available for the markets related to our portfolio then Advisor will make a good faith selection of reasonably comparable alternative materials in the sole discretion of the Advisor. There is also a risk that Advisor may be unable to replicate the information. Either way there is a risk the valuation process may be negatively impacted, which may adversely affect our NAV calculations and could adversely affect the valuation of our Common Stock.

*It may be difficult to reflect, fully and accurately, material events that may impact our quarterly NAV.*

Common Stock NAV per share will be based in part on valuation provided by independent third parties for each of our Properties in individual appraisal reports reviewed by an independent valuation advisor on an annual basis. As a result, our published NAV per share in any given fiscal quarter may not fully reflect any or all changes in value that may have occurred since the most recent appraisal or valuation. The Advisor will review appraisal reports and monitor our real estate and real estate debt, and is responsible for notifying the applicable independent valuation advisor, if any, of the occurrence of any property-specific or market-driven event it believes may cause a material valuation change in the real estate valuation, but it may be difficult to reflect fully and accurately rapidly changing market conditions or material events that may impact the value of our real estate and real estate debt or liabilities between valuations, or to obtain complete information regarding any such events in a timely manner. As a result, the NAV per share may not reflect a material event until such time as sufficient information is available and analyzed, and the financial impact is fully evaluated, such that our NAV may be appropriately adjusted in accordance with our valuation guidelines. Depending on the circumstance, the resulting potential disparity in our NAV may be in favor or to the detriment of stockholders.

## **SUMMARY OF MATERIAL AGREEMENTS, OUR STOCK AND OUR CORPORATE GOVERNANCE**

[The following subsection in the “*Summary of Material Agreements, Our Stock and Our Corporate Governance*” section of the Memorandum is hereby amended and restated as follows:]

### **DESCRIPTION OF CAPITAL STOCK**

The following summary of the terms of our stock does not purport to be complete and is subject to and qualified in its entirety by reference to our charter and bylaws, copies of which will be made available upon request without charge, and to the MGCL.

#### **General**

We are authorized to issue 500,000,000 shares of common stock, \$0.01 par value per share, and 100,000,000 shares of preferred stock, \$0.01 par value per share. Our charter authorizes our Board, with the approval of a majority of the entire Board and without any action on the part of our stockholders, to amend our charter to increase or decrease the aggregate number of shares of stock that we are authorized to issue or the number of authorized shares of any class or series of stock. Under Maryland law, stockholders generally are not liable for its debts or obligations solely as a result of the stockholders’ status as stockholders.

## Shares of Common Stock

All shares of Common Stock that may be offered and sold pursuant to this offering memorandum will be duly authorized, fully paid and non-assessable. Holders of Common Stock are entitled to receive distributions when authorized by the Board and declared by the Issuer out of assets legally available for the payment of dividends. Holders of Common Stock are also entitled to share ratably in the Issuer's assets legally available for distribution to holders of Common Stock in the event of our liquidation, dissolution or winding up, after payment of, or adequate provision for, all of our known debts and liabilities. These rights are subject to the preferential rights of any other class or series of the Issuer's stock, including any shares of preferred stock the Issuer may issue, and to the provisions of the Issuer's charter regarding restrictions on ownership and transfer of the Issuer's stock.

Subject to the Issuer's charter restrictions on ownership and transfer of its stock and the terms of any other class or series of its stock, each outstanding share of Common Stock entitles the holder thereof to one vote on all matters submitted to a vote of holders of Common Stock, including the election of directors. Cumulative voting in the election of directors is not permitted. Directors are elected by a plurality of the votes cast at the meeting in which directors are being elected and at which a quorum is present. This means that the holders of a majority of the outstanding shares of Common Stock can effectively elect all of the directors then standing for election, and the holders of the remaining shares will not be able to elect any directors.

The holders of Common Stock have no preference, conversion, exchange, sinking fund or redemption rights and have no preemptive rights to subscribe for any of our Common Stock. The Issuer's charter provides that its stockholders generally have no appraisal rights unless the Board determines that appraisal rights will apply to one or more transactions in which the holders of Common Stock would otherwise be entitled to exercise such rights. Subject to the charter restrictions on ownership and transfer of the Issuer's stock, holders of shares of Common Stock will initially have equal dividend, liquidation and other rights.

Under Maryland law, a Maryland corporation generally cannot dissolve, amend its charter, merge, sell all or substantially all of its assets, convert into another form of entity, engage in a statutory share exchange or engage in a similar transaction unless such transaction is declared advisable by the Board and approved by the affirmative vote of stockholders entitled to cast at least two-thirds of all of the votes entitled to be cast on the matter, unless a lesser percentage (but not less than a majority of the votes entitled to be cast on the matter) is set forth in the corporation's charter. The Issuer's charter provides for approval of these matters by the affirmative vote of stockholders entitled to cast a majority of the votes entitled to be cast on such matter. In addition, for so long as Wander Atlas Management provides services to us pursuant to the Management Agreement or any similar agreement subsequently entered into between us and Wander Atlas Management, any amendment to our charter will also require the consent of at least one management director (as defined in our charter). Maryland law also permits a corporation to transfer all or substantially all of its assets without the approval of its stockholders to an entity, all of the equity interests of which are owned, directly or indirectly, by the corporation. Because the Issuer's operating assets may be held by Wander Atlas Operating Partnership or its wholly owned subsidiaries, these subsidiaries may be able to merge or transfer all or substantially all of their assets without the approval of our stockholders.

Initially, the Issuer will maintain its own share register. However, in the future the Issuer may elect to engage a fund administrator or transfer agent to provide this service.

## Shares of "REIT Qualifying" Preferred Stock

In order for us to qualify as a REIT, shares of our 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 qualify as a REIT has been made) or during a proportionate part of a shorter taxable year. To ensure we met this requirement, we sold 125 shares of Series A Cumulative Redeemable Preferred Stock, \$0.01 par value per share (the "REIT Qualifying Preferred Stock"), with the offering closing on January 11, 2023.

Each share of REIT Qualifying Preferred Stock was sold for \$1,000 (the "Purchase Price"), for a total of \$125,000, and dividends on each share accrue on a daily basis at a rate of 12% per annum. No more than one share of REIT Qualifying Preferred Stock was sold to any one individual. The REIT Qualifying Preferred Stock has extremely limited voting rights and does not entitle its holders to vote on any matter that is submitted to the holders of Common Stock for a vote.

REIT Qualifying Preferred Stock shares are subject to redemption at any time by notice of such redemption on a date selected by us for such redemption. If we elect to cause the redemption of some or all of our shares of REIT Qualifying Preferred Stock, each share of REIT Qualifying Preferred Stock will be redeemed for a price (the “Redemption Price”), payable in cash on the date of redemption, equal to 100% of such share’s Purchase Price, plus all accrued and unpaid dividends up to and including the date of redemption, plus a per share redemption premium calculated as follows based on the date fixed for redemption: (1) on or before the second anniversary of the initial closing of this offering, \$100; and thereafter, no redemption premium.

In the event of any voluntary or involuntary dissolution, liquidation, or winding up of the Company, the holders of shares of REIT Qualifying Preferred Stock will be entitled to receive pro rata in cash out of the assets of the Company available therefor, before any distribution of the assets may be made to the holders of the Common Stock or any other securities ranking junior to the REIT Qualifying Preferred Stock, an amount per share of REIT Qualifying Preferred Stock equal to the Purchase Price, plus all accumulated and unpaid dividends thereon, plus, if applicable, the redemption premium described above.

The REIT Qualifying Preferred Stock is not convertible into or exchangeable for any other property or securities of the Company and the Company does not intend to issue physical stock certificates, so the REIT Qualifying Preferred Stock will be uncertificated.

### **Distributions**

For shares of Common Stock, distributions will occur as determined by the Board from time to time, but we expect distributions will generally be made quarterly. Distributions are subject to the corporate expenses and other liabilities of the Issuer, including Wander Atlas Operating Partnership and all Properties.

### **Voting Rights**

Subject to the Issuer’s charter restrictions on ownership and transfer of its stock and the terms of any other class or series of its stock, each outstanding share of Common Stock entitles the holder thereof to one vote on all matters submitted to a vote of holders of Common Stock.

### **Liquidity**

Issuer has adopted a Repurchase Plan which is described in the “*Summary of Material Agreements, Our Stock and Our Corporate Governance*” section above and will not be further described here. There is currently no secondary trading market for shares of Common Stock, but it is possible that in the future we will register the REIT and following such a registration (if any), we may attempt to create one or more secondary markets for the trading of the Common Stock in the future, which may be implemented through private or public exchanges. However, no assurance can be given that we will be successful in creating a secondary market, and even if we do, there is no assurance that a liquid market for the shares will develop or, if such market develops, that it will be maintained. Additionally, the costs associated with any such exchange have not yet been determined.

### **Restrictions on Ownership and Transfer**

In order for us to qualify as a REIT, shares of our 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 qualify as a REIT has been made) or during a proportionate part of a shorter taxable year. Also, not more than 50% of the value of the outstanding shares of our stock may be owned, directly or indirectly, by five or fewer individuals (as defined in the Code to include certain entities such as private foundations) during the last half of a taxable year (other than the first year for which an election to be a REIT has been made). To qualify as a REIT, we must satisfy other requirements as well. “Certain U.S. Federal Income Tax Considerations — Taxation of Our Company.”

Our charter contains restrictions on the ownership and transfer of our stock. The Board may, from time to time, grant waivers from these restrictions, in its sole discretion. Our charter provides that, subject to the exceptions described below, no person or entity may own, or be deemed to own, beneficially or 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 our capital stock (the “common stock ownership limit”) or 9.8% in value of

the outstanding shares of any class or series of our stock (the “aggregate stock ownership limit”). We refer to the common stock ownership limit and the aggregate stock ownership limit collectively as the “ownership limits.” We refer to the person or entity that, but for operation of the ownership limits or another restriction on ownership and transfer of our stock as described below, would beneficially own or constructively own shares of our stock in violation of such limits or restrictions and, if appropriate in the context, a person or entity that would have been the record owner of such shares of our stock as a “prohibited owner.”

The constructive ownership rules under the Code are complex and may cause shares of stock owned beneficially or constructively by a group of related individuals and/or entities to be owned beneficially or 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 the outstanding shares of our Common Stock, or less than 9.8% in value of the outstanding shares of all classes and series of our stock (or the acquisition by an individual or entity of an interest in an entity that owns, beneficially or constructively, shares of our stock), could cause that individual or entity, or another individual or entity, to own beneficially or constructively shares of our stock in excess of the ownership limits.

The Board, in its sole and absolute discretion, may exempt, prospectively or retroactively, a particular stockholder from the ownership limits or establish a different limit on ownership (the “excepted holder limit”) if the Board determines that:

- the stockholder’s ownership in excess of the ownership limit would not result in our being “closely held” under Section 856(h) of the Code (without regard to whether the interest is held during the last half of a taxable year) or otherwise failing to qualify as a REIT; and
- such stockholder does not and will not constructively own an interest in a tenant of ours (or a tenant of any entity owned or controlled by us) that would cause us to own, actually or constructively, more than a 9.9% interest (as set forth in Section 856(d)(2)(B) of the Code) in such tenant (or the Board determines that revenue derived from such tenant will not affect our ability to qualify as a REIT).

As a condition of granting the waiver or establishing the excepted holder limit, the Board may require an opinion of counsel or a ruling from the IRS, in either case in form and substance satisfactory to the Board, in its sole and absolute discretion, in order to determine or ensure our status as a REIT and such representations and undertakings from the person requesting the exception as the Board may require in its sole and absolute discretion to make the determinations above. The Board may impose such conditions or restrictions as it deems appropriate in connection with granting such a waiver or establishing an excepted holder limit. Any violation or attempted violation of any such representations or undertakings will result in such stockholder’s shares of stock being automatically transferred to a charitable trust.

In connection with granting a waiver of the ownership limits or creating an excepted holder limit or at any other time, the Board may from time to time increase or decrease the common stock ownership limit, the aggregate stock ownership limit or both, for all other persons, unless, after giving effect to such increase, five or fewer individuals could beneficially own, in the aggregate, more than 49.9% in value of our outstanding stock or we would otherwise fail to qualify as a REIT. A reduced ownership limit will not apply to any person or entity whose percentage ownership of our stock is, at the effective time of such reduction, in excess of such decreased ownership limit until such time as such person’s or entity’s percentage ownership of our stock equals or falls below the decreased ownership limit, but any further acquisition of shares of our stock will violate the decreased ownership limit.

Our charter further prohibits:

any person from beneficially or constructively owning, applying certain attribution rules of the Code, shares of our stock that could result in our being “closely held” under Section 856(h) of the Code (without regard to whether the ownership interest is held during the last half of a taxable year) or otherwise cause us to fail to qualify as a REIT; and

any person from transferring shares of our stock if the transfer would result in shares of our stock being beneficially owned by fewer than 100 persons (determined under the principles of Section 856(a)(5) of the Code).

Any person who acquires or attempts or intends to acquire beneficial or constructive ownership of shares of our stock that will or may violate the ownership limits or any of the other restrictions on ownership and transfer of our stock described above, or who would have owned shares of our stock transferred to the trust as described below, must immediately give notice to us of such event or, in the case of an attempted or proposed transaction, give us at least 15 days' prior written notice and provide us with such other information as we may request in order to determine the effect of such transfer on our status as a REIT.

If any transfer of shares of our stock would result in shares of our stock being beneficially owned by fewer than 100 persons, the transfer will be null and void, and the intended transferee will acquire no rights in the shares. In addition, if any purported transfer of shares of our stock or any other event would otherwise result in any person violating the ownership limits or an excepted holder limit established by the Board, or in our being "closely held" under Section 856(h) of the Code (without regard to whether the ownership interest is held during the last half of a taxable year) or otherwise failing to qualify as a REIT, then that number of shares (rounded up to the nearest whole share) that would cause the violation will be automatically transferred to, and held by, a trust for the exclusive benefit of one or more charitable organizations selected by us, and the intended transferee or other prohibited owner will acquire no rights in the shares. The automatic transfer will be effective as of the close of business on the business day prior to the date of the violative transfer or other event that results in a transfer to the trust. If the transfer to the trust as described above is not automatically effective, for any reason, to prevent violation of the applicable ownership limits or our being "closely held" under Section 856(h) of the Code (without regard to whether the ownership interest is held during the last half of a taxable year) or our otherwise failing to qualify as a REIT, then our charter provides that the transfer of the shares will be null and void and the intended transferee will acquire no rights in such shares.

Shares of our stock held in the trust will be issued and outstanding shares. The prohibited owner will not benefit economically from ownership of any shares of our stock held in the trust and will have no rights to distributions and no rights to vote or other rights attributable to the shares of our stock held in the trust. The trustee of the trust will exercise all voting rights and receive all distributions with respect to shares held in the trust for the exclusive benefit of the charitable beneficiary of the trust. Any distribution made before we discover that the shares have been transferred to a trust as described above must be repaid by the recipient to the trustee upon demand by us. Subject to Maryland law, effective as of the date that the shares have been transferred to the trust, the trustee will have the authority to rescind as void any vote cast by a prohibited owner before our discovery that the shares have been transferred to the trust and to recast the vote in accordance with the desires of the trustee acting for the benefit of the charitable beneficiary of the trust. However, if we have already taken irreversible corporate action, then the trustee may not rescind and recast the vote.

Shares of our stock transferred to the trustee are deemed offered for sale to us, or our designee, at a price per share equal to the lesser of (i) the price paid by the prohibited owner for the shares (or, in the case of a devise, gift or other transaction, the market price (as defined in our charter) at the time of such devise, gift or other transaction) and (ii) the market price (as defined in our charter) on the date we accept, or our designee accepts, such offer. We may reduce the amount so payable to the trustee by the amount of any distribution that we made to the prohibited owner before we discovered that the shares had been automatically transferred to the trust and that are then owed by the prohibited owner to the trustee as described above, and we may pay the amount of any such reduction to the trustee for distribution to the charitable beneficiary. We have the right to accept such offer until the trustee has sold the shares of our stock held in the trust as discussed below. Upon a sale to us, the interest of the charitable beneficiary in the shares sold terminates, and the trustee must distribute the net proceeds of the sale to the prohibited owner and must distribute any distributions held by the trustee with respect to such shares to the charitable beneficiary.

If we do not buy the shares, the trustee must, within 20 days of receiving notice from us of the transfer of shares to the trust, sell the shares to a person or entity designated by the trustee who could own the shares without violating the ownership limits or the other restrictions on ownership and transfer of our stock. After the sale of the shares, the interest of the charitable beneficiary in the shares transferred to the trust will terminate and the trustee must distribute to the prohibited owner an amount equal to the lesser of (i) the price paid by the prohibited owner for the shares (or, if the prohibited owner did not give value for the shares in connection with the event causing the shares to be held in the trust (for example, in the case of a gift, devise or other such transaction), the market price (as defined in our charter) of the shares on the day of the event causing the shares to be held in the trust) and (ii) the sales proceeds (net of any commissions and other expenses of sale) received by the trustee for the shares. The trustee may reduce the amount payable to the prohibited owner by the amount of any distribution that we paid to the prohibited owner before

we discovered that the shares had been automatically transferred to the trust and that are then owed by the prohibited owner to the trustee as described above. Any net sales proceeds in excess of the amount payable to the prohibited owner must be paid immediately to the charitable beneficiary, together with any distributions thereon. In addition, if, prior to the discovery by us that shares of stock have been transferred to a trust, such shares of stock are sold by a prohibited owner, then such shares will be deemed to have been sold on behalf of the trust and, to the extent that the prohibited owner received an amount for or in respect of such shares that exceeds the amount that such prohibited owner was entitled to receive, such excess amount will be paid to the trustee upon demand. The prohibited owner has no rights in the shares held by the trustee.

In addition, if the Board determines that a transfer or other event has occurred that would violate the restrictions on ownership and transfer of our stock described above, or a stockholder violated or attempted to violate of any representations or undertakings related to an excepted holder limit related to a transfer or an anticipated transfer, the Board may take such action as it deems advisable to refuse to give effect to or to prevent such transfer, including, but not limited to, causing us to redeem shares of our stock, refusing to give effect to the transfer on our books or instituting proceedings to enjoin the transfer.

Every owner of 5.0% or more (or such lower percentage as required by the Code or the regulations promulgated thereunder) of our stock, within 30 days after the end of each taxable year, must give us written notice stating the stockholder's name and address, the number of shares of each class or series of our stock that the stockholder beneficially owns and a description of the manner in which the shares are held. Each such owner must provide to us in writing such additional information as we may request in order to determine the effect, if any, of the stockholder's beneficial ownership on our status as a REIT and to ensure compliance with the ownership limits. In addition, any person or entity that is a beneficial owner or constructive owner of shares of our stock and any person or entity (including the stockholder of record) that is holding shares of our stock for a beneficial owner or constructive owner must, on request, provide to us such information as we may request in order to determine our status as a REIT and to comply with the requirements of any taxing authority or governmental authority or to determine such compliance.

Any certificates representing shares of our stock will bear a legend referring to the restrictions on ownership and transfer of our stock described above.

These restrictions on ownership and transfer of our stock will not apply if the Board determines that it is no longer in our best interests to attempt to qualify, or to continue to qualify, as a REIT or that compliance is no longer required in order for us to qualify as a REIT.

The restrictions on ownership and transfer of our stock described above could delay, defer or prevent a transaction or a change in control that might involve a premium price for our stock or otherwise be in the best interests of our stockholders.

## **VALUATION POLICIES**

Our real estate assets consist primarily of single-family rental properties and their associated assets and liabilities. We amortize asset acquisition costs over the duration of the real estate asset. In the instances of assets with uncertain durations, we amortize asset acquisition costs over twenty-seven and a half years. Additional assets may include funds owed from tenants and prepaid insurance. Liabilities may include accrued fees, operating expenses, accrued distributions payable, accrued management fees and debt service payments for either our secured or/and unsecured debt (as may be allocated) which may be estimated by our Manager.

For the purposes of calculating our quarterly NAV, and our GAV and TAV, our Properties will initially be valued at the lesser of cost or appraised value, which we expect to represent fair value at that time, subject to any variation pursuant to our valuation guidelines. We capitalize acquisition-related costs associated with asset acquisitions, renovations and improvements, FF&E, financing costs and other costs related to making the homes ready for our leasing program.

Each Property will be valued by an independent third-party appraisal firm annually. Annual appraisals may be delayed for a short period in exceptional circumstances. Notwithstanding the foregoing, the properties owned by the Operating Partnership's subsidiaries will be appraised during the same general time period on an annual basis. Homes purchased after the annual appraisal will be appraised as part of our purchase diligence or, if purchased from Wander or one of its affiliates, a third-party appraisal will be used in connection with the purchase. Each third-party appraisal is performed in accordance with USPAP, or the similar industry standard for the country where the property appraisal is conducted. Upon conclusion of the appraisal, the independent third-party appraisal firm prepares a written report with an estimated range of gross market value of the Property. Concurrent with the appraisal process, the Advisor values each Property and, considering the appraisal, among other factors, determines the appropriate valuation within the range provided by the independent third-party appraisal firm. Each appraisal must be reviewed, approved and signed by an individual with the professional designation of MAI (a Designated Member of the Appraisal Institute) or similar designation, state license or accreditation, or for international appraisals, a public or other certified expert for real estate valuations. We believe our policy of obtaining appraisals by independent third parties will meaningfully enhance the accuracy of our NAV calculation and other valuation calculations. Any appraisal provided by an independent third-party appraisal firm will be performed in accordance with our valuation guidelines. However, it is important to note that an appraisal is an estimate of value it may not reflect actual market value at any time or the amount that would be realized on a sale or other disposition of the Property.

The Advisor will value our Properties and calculate NAV quarterly (and do other valuation calculations as needed), based on current material market data and other information deemed relevant, with review for reasonableness by our independent valuation advisor. When an annual appraisal is received, our valuations will fall within range of the third-party appraisal; however, updates to valuations thereafter may be outside of the range of values provided in the most recent third-party appraisal.

Although quarterly reviews of each of the Advisor's real property valuations and NAV calculation will be performed by our independent valuation advisor, such reviews are based on asset and portfolio level information provided by the Advisor, including historical or forecasted operating revenues and expenses of the properties, lease agreements on the properties, revenues and expenses of the properties, information regarding recent or planned estimated capital expenditures, the then-most recent annual third-party appraisals, and any other information relevant to valuing the real estate property, which information will not be independently verified by our independent valuation advisor. In cases in which our net equity interests in certain properties have no net asset value due to factors such as cash flow performance or marketability, as reasonably determined by the Advisor, the Advisor may exclude such properties from the review by our independent valuation advisor. The valuations by the Advisor and its calculation of NAV are in the Advisor's sole discretion subject to guidelines set from time to time by the Board, but again such valuations may not be relied upon as the actual amount that may be realized from a sale or other disposition of the Property. The determination of NAV is not based on, nor intended to comply with, fair value standards under GAAP and will not be subject to independent audit.

You should not consider NAV to be equivalent to stockholders' equity or any other GAAP measure. While we believe our NAV calculation methodologies are consistent with standard industry practices, there is no rule or regulation that requires we calculate NAV in a certain way. The third-party sources upon which we refer to calculate NAV do not solely determine NAV. If a material event occurs between scheduled valuations that our Advisor believes may materially affect the value of any of the Properties in our portfolios, including related liabilities, our Advisor may adjust the NAV calculation to account for the estimated impact. The independent valuation expert is not responsible for and does not prepare NAV per share. NAV per share is calculated by dividing NAV of Common Stock by the number of shares of Common Stock outstanding as of the end of such period, as applicable, prior to giving effect to any share purchases or redemptions to be effected for such period.

As there is no public or secondary market for our Common Stock and shares of Common Stock are not currently expected to be listed or traded on any stock exchange or other marketplace, our goal is to provide a reasonable estimate of the value of our shares on a quarterly basis. However, the majority of our assets consist of single-family homes and, as with any real estate, property valuations involve significant professional judgment. The calculated value of our Properties may differ from their actual realizable values or future appraised values and NAV may not be indicative of the price that we would receive for the Properties in our portfolios if sold on the open market at current market conditions. In addition, for any given fiscal quarter, our published NAV per share may not fully reflect certain material events, to the extent that the financial impact of such events on our portfolios is not immediately quantifiable.

As a result, the calculation of NAV per share may not reflect the precise amount that might be paid for your shares of Common Stock in a market transaction, and any potential disparity in our NAV per share may be in favor of either stockholders who redeem their shares of Common Stock, stockholders who buy new shares of Common Stock, or existing holders of Common Stock.

From time to time, our Board, may adopt changes to these valuation guidelines if it (1) determines that such changes are likely to result in a more accurate reflection of NAV (or other valuation calculation), or a more efficient or less costly procedure for the determination without having a material adverse effect on the accuracy of such determination or (2) otherwise reasonably believes a change is appropriate for the determination of NAV (or other valuation calculation). Any changes to the method of valuation will be reviewed by management to ensure the changes are appropriate. The methods used may produce a fair value calculation that is not indicative of net realizable value or reflective of future fair values. Furthermore, while we anticipate that our valuation methods are appropriate and consistent with other market participants, the use of different methodologies, or assumptions, to determine the fair value could result in a different estimate of fair value at the reporting date.

Any subscriptions that we receive prior to disclosing our NAV adjustment will be executed at the purchase price in effect at the time such subscription is received. Thus, even if settlement occurs following the period for which NAV is re-calculated, the purchase price for the shares will be the price in effect at the time the subscription was received.

## PLAN OF DISTRIBUTION

[The following subsection in the “*Plan of Distribution*” section of the Memorandum is hereby amended and restated as follows:]

### ***Purchase Price***

Shares will generally be sold at the prior fiscal quarter’s NAV per share of the class of share being purchased. Although the price you pay for shares of our Common Stock will generally be based on the prior fiscal quarter’s NAV per share, the NAV per share of such stock for the fiscal quarter in which you make your purchase may be significantly different. We may offer shares at a price that we believe reflects the NAV per share of such stock more appropriately than the prior fiscal quarter’s NAV per share (including by updating a previously disclosed offering price) or suspend our offering in cases where we believe there has been a material change (positive or negative) to our NAV per share since the end of the prior fiscal quarter. Each class of shares may have a different NAV per share because stockholder servicing fees are charged differently with respect to each class.

We will generally adhere to the following procedures relating to purchases of shares of our Common Stock in this continuous offering:

- On each business day, our fund administrator will collect purchase orders. Notwithstanding the submission of an initial purchase order, we can reject purchase orders for any reason, even if a prospective investor meets the minimum suitability requirements outlined in our prospectus. Investors may only purchase our Common Stock pursuant to accepted subscription orders as of the first calendar day of each month (based on the prior fiscal quarter’s transaction price), and to be accepted, a subscription request must be made with a completed and executed subscription agreement in good order and payment of the full purchase price of our Common Stock being subscribed at least five business days prior to the first calendar day of the month. If a purchase order is received less than five business days prior to the first calendar day of the month, unless waived by us, the purchase order will be executed in the next month’s closing at the transaction price applicable to that month, plus applicable upfront selling commissions and dealer manager fees. As a result of this process, the price per share at which your order is executed may be different than the price per share for the month in which you submitted your purchase order.
- Generally, within 15-30 calendar days after the last calendar day of each fiscal quarter, we will determine our NAV per share for each share class as of the last calendar day of the prior fiscal quarter, which will generally be the transaction price for the then-current fiscal quarter for such share class.
- Completed subscription requests will not be accepted by us before the later of (i) two business days before the first calendar day of each month and (ii) three business days after we make the transaction price (including any subsequent revised transaction price in the circumstances described below) publicly available by posting it on our website and filing a prospectus supplement with the SEC.
- Subscribers are not committed to purchase shares at the time their subscription orders are submitted, and any subscription may be canceled at any time before the time it has been accepted as described in the previous sentence. You may withdraw your purchase request by notifying us at [atlas@wander.com](mailto:atlas@wander.com).
- You will receive a confirmation statement of each new transaction in your account dashboard as soon as practicable but generally not later than seven business days after the stockholder transactions are settled.

Our transaction price will generally be based on our prior fiscal quarter’s NAV. Our NAV may vary significantly from one fiscal quarter to the next. Through our website at [www.wander.com/](http://www.wander.com/), and prospectus supplement filings, you will have information about the transaction price and NAV per share. We may set a transaction price that we believe reflects the NAV per share of our stock more appropriately than the prior fiscal quarter’s NAV per share (including by updating a previously disclosed offering

price) or suspend our offering in cases where we believe there has been a material change (positive or negative) to our NAV per share since the end of the prior fiscal quarter. If the transaction price is not made available on or before the eighth business day before the first calendar day of the fiscal quarter (which is six business days before the earliest date we may accept subscriptions), or a previously disclosed transaction price for that fiscal quarter is changed, then we will provide notice of such transaction price (and the first day on which we may accept subscriptions) directly to subscribing investors when such transaction price is made available.

In contrast to securities traded on an exchange or over-the-counter, where the price often fluctuates as a result of, among other things, the supply and demand of securities in the trading market, our NAV will be calculated once quarterly using our valuation methodology in our sole discretion and that of our Advisor, and the price at which we sell new shares and repurchase outstanding shares will not change depending on the level of demand by investors or the volume of requests for repurchases.

## **DESCRIPTION OF THE PARTNERSHIP AGREEMENT AND WANDER ATLAS OPERATING PARTNERSHIP, LP**

[The following subsection in the “*Description of the Partnership Agreement and Wander Atlas Operating Partnership, LP*” section of the Memorandum is hereby amended and restated as follows:]

### **General**

Substantially all of our assets are held by, and substantially all of our operations are conducted through, our operating partnership, either directly or through its subsidiaries. We are the general partner of our operating partnership. Our operating partnership is also authorized to issue a class of units of partnership interest designated as LTIP Units and additional classes of units of partnership interest, each having the terms described below. The common units are not listed on any exchange nor are they quoted on any national market system.

Provisions in the partnership agreement may delay or make more difficult unsolicited acquisitions of us or changes in our control. These provisions could discourage third parties from making proposals involving an unsolicited acquisition of us or change of our control, although some stockholders might consider such proposals, if made, desirable. These provisions also make it more difficult for third parties to alter the management structure of our operating partnership without the concurrence of our board of directors. These provisions include, among others:

- Redemption rights of limited partners and certain assignees of common units;
- Transfer restrictions on common units and other partnership interests;
- A requirement that we may not be removed as the general partner of our operating partnership without our consent;
- Our ability in some cases to amend the partnership agreement and to cause our operating partnership to issue preferred partnership interests in our operating partnership with terms that we may determine, in either case, without the approval or consent of any limited partner; and
- The right of the limited partners to consent to certain transfers of our general partnership interest (whether by sale, disposition, statutory merger or consolidation, liquidation or otherwise).

## CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

[The following subsections in the “*Certain U.S. Federal Income Tax Considerations*” section of the Memorandum are hereby amended and restated as follows:]

### **Taxation of Our Company**

**General.** We intend to elect to be taxed as a REIT under Sections 856 through 860 of the Code commencing with our initial taxable year ending December 31, 2023. We intend to be organized and operate in a manner that will allow us to qualify for taxation as a REIT under the Code commencing with such taxable year, and we intend to continue to be organized and operate in this manner. However, qualification and taxation as a REIT depend upon our ability to meet the various qualification tests imposed under the Code, including through actual operating results, asset composition, distribution levels and diversity of stock ownership. Accordingly, no assurance can be given that we will be organized or will be able to operate in a manner so as to qualify or remain qualified as a REIT. See “—*Failure to Qualify*” for potential tax consequences if we fail to qualify as a REIT.

Provided we qualify for taxation as a REIT, we generally will not be required to pay U.S. federal corporate income taxes on our REIT taxable income that is currently distributed to our stockholders. This treatment substantially eliminates the “double taxation” that ordinarily results from investment in a C corporation. A “C corporation” is a corporation that generally is required to pay tax at the corporate level. Double taxation means taxation once at the corporate level when income is earned and once again at the stockholder level when the income is distributed. We will, however, be required to pay U.S. federal income tax as follows:

First, we will be required to pay regular U.S. federal corporate income tax on any undistributed REIT taxable income, including undistributed capital gains.

Second, while we do not currently intend to invest in such property, if we have (1) net income from the sale or other disposition of “foreclosure property” held primarily for sale to customers in the ordinary course of business or (2) other non-qualifying income from foreclosure property, we will be required to pay regular U.S. federal corporate income tax on this income. To the extent that income from foreclosure property is otherwise qualifying income for purposes of the 75% gross income test, this tax is not applicable. Subject to certain other requirements, foreclosure property generally is defined as property we acquired through foreclosure or after a default on a loan secured by the property or a lease of the property. See “—*Foreclosure Property*.”

Third, we will be required to pay a 100% tax on any net income from prohibited transactions. Prohibited transactions are, in general, sales or other taxable dispositions of property, other than foreclosure property, held as inventory or primarily for sale to customers in the ordinary course of business.

Fourth, if we fail to satisfy the 75% gross income test or the 95% gross income test, as described below, but have otherwise maintained our qualification as a REIT because certain other requirements are met, we will be required to pay a tax equal to (1) the greater of (A) the amount by which we fail to satisfy the 75% gross income test and (B) the amount by which we fail to satisfy the 95% gross income test, multiplied by (2) a fraction intended to reflect our profitability.

Fifth, if we fail to satisfy any of the asset tests (other than a *de minimis* failure of the 5% or 10% asset test), as described below, due to reasonable cause and not due to willful neglect, and we nonetheless maintain our REIT qualification because of specified cure provisions, we will be required to pay a tax equal to the greater of \$50,000 or the U.S. federal corporate income tax rate multiplied by the net income generated by the non-qualifying assets that caused us to fail such test.

Sixth, if we fail to satisfy any provision of the Code that would result in our failure to qualify as a REIT (other than a violation of the gross income tests or certain violations of the asset tests, as described below) and the violation is due to reasonable cause and not due to willful neglect, we may retain our REIT qualification but we will be required to pay a penalty of \$50,000 for each such failure.

Seventh, we will be required to pay a 4% excise tax to the extent we fail to distribute during each calendar year at least the sum of (1) 85% of our ordinary income for the year, (2) 95% of our capital gain net income for the year, and (3) any undistributed taxable income from prior periods.

Eighth, if we acquire any asset from a corporation that is or has been a C corporation in a transaction in which our tax basis in the asset is less than the fair market value of the asset, in each case determined as of the date on which we acquired the asset, and we subsequently recognize gain on the disposition of the asset during the five-year period beginning on the date on which we acquired the asset, then we generally will be required to pay regular U.S. federal corporate income tax on this gain to the extent of the excess of (1) the fair market value of the asset over (2) our adjusted tax basis in the asset, in each case determined as of the date on which we acquired the asset. The results described in this paragraph with respect to the recognition of gain assume that the C corporation will refrain from making an election to receive different treatment under applicable Treasury Regulations on its tax return for the year in which we acquire the asset from the C corporation. Under applicable Treasury Regulations, any gain from the sale of property we acquired in an exchange under Section 1031 (a like-kind exchange) or Section 1033 (an involuntary conversion) of the Code generally is excluded from the application of this built-in gains tax.

Ninth, our subsidiaries that are C corporations and are not qualified REIT subsidiaries, including our “taxable REIT subsidiaries” described below, generally will be required to pay regular U.S. federal corporate income tax on their earnings.

Tenth, we will be required to pay a 100% tax on any “redetermined rents,” “redetermined deductions,” “excess interest” or “redetermined TRS service income,” as described below under “—Penalty Tax.” In general, redetermined rents are rents from real property that are overstated as a result of services furnished to any of our tenants by a taxable REIT subsidiary of ours. Redetermined deductions and excess interest generally represent amounts that are deducted by a taxable REIT subsidiary of ours for amounts paid to us that are in excess of the amounts that would have been deducted based on arm’s length negotiations. Redetermined TRS service income generally represents income of a taxable REIT subsidiary that is understated as a result of services provided to us or on our behalf.

Eleventh, we may elect to retain and pay income tax on our net capital gain. In that case, a stockholder would include its proportionate share of our undistributed capital gain (to the extent we make a timely designation of such gain to the stockholder) in its income, would be deemed to have paid the tax that we paid on such gain, and would be allowed a credit for its proportionate share of the tax deemed to have been paid, and an adjustment would be made to increase the tax basis of the stockholder in our Common Stock.

Twelfth, if we fail to comply with the requirement to send annual letters to our stockholders holding at least a certain percentage of our stock, as determined under applicable Treasury Regulations, requesting information regarding the actual ownership of our stock, and the failure is not due to reasonable cause or is due to willful neglect, we will be subject to a \$25,000 penalty, or if the failure is intentional, a \$50,000 penalty.

We and our subsidiaries may be subject to a variety of taxes other than U.S. federal income tax, including payroll taxes and state and local income, property and other taxes on our assets and operations.

From time to time, we may own properties in countries other than the United States, which may impose taxes on our operations within their jurisdictions. To the extent possible, we will structure our activities to minimize our non-U.S. tax liability. However, there can be no assurance that we will be able to eliminate our non-U.S. tax liability or reduce it to a specified level. Furthermore, as a REIT, both we and our stockholders will derive little or no benefit from foreign tax credits arising from those non-U.S. taxes.

***Requirements for Qualification as a REIT.*** The Code defines a REIT as a corporation, trust or association:

that is managed by one or more trustees or directors;

that issues transferable shares or transferable certificates to evidence its beneficial ownership;

that would be taxable as a domestic corporation, but for Sections 856 through 860 of the Code;

that is not a financial institution or an insurance company within the meaning of certain provisions of the Code;

that is beneficially owned by 100 or more persons;

not more than 50% in value of the outstanding stock of which is owned, actually or constructively, by five or fewer individuals, including certain specified entities, during the last half of each taxable year; and

that meets other tests, described below, regarding the nature of its income and assets and the amount of its distributions.

The Code provides that conditions 0 to 0, inclusive, must be met during the entire taxable year and that condition 0 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. Conditions 0 and 0 do not apply until after the first taxable year for which an election is made to be taxed as a REIT. For purposes of condition 0, the term “individual” includes a supplemental unemployment compensation benefit plan, a private foundation or a portion of a trust permanently set aside or used exclusively for charitable purposes, but generally does not include a qualified pension plan or profit sharing trust.

We believe that we will be organized and will operate in a manner that will allow us to satisfy conditions 0 through 0, inclusive, during the relevant time periods. In addition, our charter provides for restrictions regarding ownership and transfer of our shares that are intended to assist us in continuing to satisfy the share ownership requirements described in conditions 0 and 0 above. A description of the share ownership and transfer restrictions relating to our Common Stock is contained in the discussion in this offering memorandum under the heading “Restrictions on Ownership and Transfer” These restrictions, however, do not ensure that we will, in all cases, be able to satisfy the share ownership requirements described in conditions 0 and 0 above. If we fail to satisfy these share ownership requirements, then except as provided in the next sentence, our status as a REIT will terminate. If, however, we comply with the rules contained in applicable Treasury Regulations that require us to ascertain the actual ownership of our shares and we do not know, or would not have known through the exercise of reasonable diligence, that we failed to meet the requirement described in condition 0 above, we will be treated as having met this requirement. See “—*Failure to Qualify.*”

In addition, we may not maintain our status as a REIT unless our taxable year is the calendar year. We will have a calendar taxable year.

## **Taxation of Taxable U.S. Holders of Our Common Stock**

***Distributions Generally.*** Distributions out of our current or accumulated earnings and profits will be treated as dividends and, other than with respect to capital gain dividends and certain amounts that have previously been subject to corporate level tax, as discussed below, will be taxable to our taxable U.S. holders as ordinary income when actually or constructively received. See “—*Tax Rates*” below. As long as we qualify as a REIT, these distributions will not be eligible for the dividends-received deduction in the case of U.S. holders that are corporations or, except to the extent described in “—*Tax Rates*” below, the preferential rates on qualified dividend income applicable to non-corporate U.S. holders, including individuals. For purposes of determining whether distributions to holders of our Common Stock are out of our current or accumulated earnings and profits, our earnings and profits will be allocated first to our outstanding preferred stock, if any, and then to our outstanding common stock.

To the extent that we make distributions on our Common Stock in excess of our current and accumulated earnings and profits allocable to such stock, these distributions will be treated first as a tax-free return of capital to a U.S. holder to the extent of the U.S. holder’s adjusted tax basis in such shares of stock. This treatment will reduce the U.S. holder’s adjusted tax basis in such shares of stock by such amount, but not below zero. Distributions in excess of our current and accumulated earnings and profits and in excess of a U.S. holder’s adjusted tax basis in its shares will be taxable

as capital gain. Such gain will be taxable as long-term capital gain if the shares have been held for more than one year. Dividends we declare in October, November, or December of any year and which are payable to a holder of record on a specified date in any of these months will be treated as both paid by us and received by the holder on December 31 of that year, provided we actually pay the dividend on or before January 31 of the following year. U.S. holders may not include in their own income tax returns any of our net operating losses or capital losses.

U.S. holders that receive taxable stock distributions, including distributions partially payable in our Common Stock and partially payable in cash, would be required to include the full amount of the distribution (*i.e.*, the cash and the stock portion) as a dividend (subject to limited exceptions) to the extent of our current and accumulated earnings and profits for U.S. federal income tax purposes, as described above. The amount of any distribution payable in our Common Stock generally is equal to the amount of cash that could have been received instead of the Common Stock. Depending on the circumstances of a U.S. holder, the tax on the distribution may exceed the amount of the distribution received in cash, in which case such U.S. holder would have to pay the tax using cash from other sources. If a U.S. holder sells the Common Stock it received in connection with a taxable stock distribution in order to pay this tax and the proceeds of such sale are less than the amount required to be included in income with respect to the stock portion of the distribution, such U.S. holder could have a capital loss with respect to the stock sale that could not be used to offset such income. A U.S. holder that receives Common Stock pursuant to such distribution generally has a tax basis in such Common Stock equal to the amount of cash that could have been received instead of such Common Stock as described above and has a holding period in such Common Stock that begins on the day immediately following the payment date for the distribution.

**Capital Gain Dividends.** Dividends that we properly designate as capital gain dividends will be taxable to our taxable U.S. holders as a gain from the sale or disposition of a capital asset held for more than one year, to the extent that such gain does not exceed our actual net capital gain for the taxable year and may not exceed our dividends paid for the taxable year, including dividends paid the following year that are treated as paid in the current year. U.S. holders that are corporations may, however, be required to treat up to 20% of certain capital gain dividends as ordinary income. If we properly designate any portion of a dividend as a capital gain dividend, then, except as otherwise required by law, we presently intend to allocate a portion of the total capital gain dividends paid or made available to holders of our Common Stock for the year to the holders of each class of our Common Stock in proportion to the amount that our total dividends, as determined for U.S. federal income tax purposes, paid or made available to the holders of each such class of our Common Stock for the year bears to the total dividends, as determined for U.S. federal income tax purposes, paid or made available to holders of all classes of our Common Stock for the year. In addition, except as otherwise required by law, we will make a similar allocation with respect to any undistributed long-term capital gains which are to be included in our stockholders' long-term capital gains, based on the allocation of the capital gain amount which would have resulted if those undistributed long-term capital gains had been distributed as "capital gain dividends" by us to our stockholders.

**Retention of Net Capital Gains.** We may elect to retain, rather than distribute as a capital gain dividend, all or a portion of our net capital gains. If we make this election, we will pay applicable tax, if any, on our retained net capital gains. In addition, to the extent we so elect, our earnings and profits (determined for U.S. federal income tax purposes) would be adjusted accordingly, and a U.S. holder generally would:

include its *pro rata* share of our undistributed capital gain in computing its long-term capital gains in its U.S. federal income tax return for its taxable year in which the last day of our taxable year falls, subject to certain limitations as to the amount that is includable;

be deemed to have paid its share of the capital gains tax imposed on us on the designated amounts included in the U.S. holder's income as long-term capital gain;

receive a credit or refund for the amount of tax deemed paid by it;

increase the adjusted tax basis of its Common Stock by the difference between the amount of includable gains and the tax deemed to have been paid by it; and

in the case of a U.S. holder that is a corporation, appropriately adjust its earnings and profits for the retained capital gains in accordance with Treasury Regulations to be promulgated by the IRS.

***Passive Activity Losses and Investment Interest Limitations.*** Distributions we make and gain arising from the sale or exchange of our Common Stock by a U.S. holder will not be treated as passive activity income. As a result, U.S. holders generally will not be able to apply any “passive losses” against this income or gain. A U.S. holder generally may elect to treat capital gain dividends, capital gains from the disposition of our Common Stock and income designated as qualified dividend income, as described in “—Tax Rates” below, as investment income for purposes of computing the investment interest limitation, but in such case, the holder will be taxed at ordinary income rates on such amount. Other distributions made by us, to the extent they do not constitute a return of capital, generally will be treated as investment income for purposes of computing the investment interest limitation.

***Dispositions of Our Common Stock.*** Except as described below under “*Certain U.S. Federal Income Tax Considerations—Taxation of Taxable U.S. Holders of Our Common Stock—Redemption or Repurchase by Us,*” if a U.S. holder sells or disposes of shares of our Common Stock, it will recognize gain or loss for U.S. federal income tax purposes in an amount equal to the difference between the amount of cash and the fair market value of any property received on the sale or other disposition and the holder’s adjusted tax basis in the shares. This gain or loss, except as provided below, will be long-term capital gain or loss if the holder has held such Common Stock for more than one year. However, if a U.S. holder recognizes a loss upon the sale or other disposition of Common Stock that it has held for six months or less, after applying certain holding period rules, the loss recognized will be treated as a long-term capital loss to the extent the U.S. holder received distributions from us which were required to be treated as long-term capital gains. The deductibility of capital losses is subject to limitations.

***Redemption or Repurchase by Us.*** A redemption or repurchase of shares of our Common Stock, if and when it occurs, will be treated under Section 302 of the Code as a distribution (and taxable as a dividend to the extent of our current and accumulated earnings and profits as described above under “—*Distributions Generally*”) unless the redemption or repurchase satisfies one of the tests set forth in Section 302(b) of the Code and is therefore treated as a sale or exchange of the redeemed or repurchased shares. The redemption or repurchase generally will be treated as a sale or exchange if it:

is “substantially disproportionate” with respect to the U.S. holder,

results in a “complete redemption” of the U.S. holder’s stock interest in us, or

is “not essentially equivalent to a dividend” with respect to the U.S. holder,

all within the meaning of Section 302(b) of the Code.

In determining whether any of these tests has been met, shares of our Common Stock or other capital stock considered to be owned by the U.S. holder by reason of certain constructive ownership rules set forth in the Code, as well as shares of our Common Stock or other capital stock actually owned by the U.S. holder, generally must be considered. Because the determination as to whether any of the alternative tests of Section 302(b) of the Code will be satisfied with respect to the U.S. holder depends upon the facts and circumstances at the time that the determination must be made, U.S. holders are advised to consult their tax advisors to determine such tax treatment.

If a redemption or repurchase of shares of our Common Stock is treated as a distribution, the amount of the distribution will be measured by the amount of cash and the fair market value of any property received. See “—*Distributions Generally.*” A U.S. holder’s adjusted tax basis in the redeemed or repurchased shares generally will be transferred to the holder’s remaining shares of our Common Stock, if any. If a U.S. holder owns no other shares of our Common Stock, under certain circumstances, such basis may be transferred to a related person, or it may be lost entirely. Prospective investors should consult their tax advisors regarding the U.S. federal income tax consequences of a redemption or repurchase of our Common Stock.

If a redemption or repurchase of shares of our Common Stock is not treated as a distribution, it will be treated as a taxable sale or exchange in the manner described under “—*Dispositions of Our Common Stock.*”

***Tax Rates.*** The maximum tax rate for non-corporate taxpayers for (1) long-term capital gains, including certain “capital gain dividends,” generally is 20% (although depending on the characteristics of the assets which produced

these gains and on designations which we may make, certain capital gain dividends may be taxed at a 25% rate) and (2) “qualified dividend income” generally is 20%. In general, dividends payable by REITs are not eligible for the reduced tax rate on qualified dividend income, except to the extent that certain holding period requirements have been met and the REIT’s dividends are attributable to dividends received from taxable corporations (such as its taxable REIT subsidiaries) or to income that was subject to tax at the corporate/REIT level (for example, if the REIT distributed taxable income that it retained and paid tax on in the prior taxable year). Capital gain dividends will only be eligible for the rates described above to the extent that they are properly designated by the REIT as “capital gain dividends.” U.S. holders that are corporations may be required to treat up to 20% of some capital gain dividends as ordinary income. In addition, non-corporate U.S. holders, including individuals, generally may deduct up to 20% of dividends from a REIT, other than capital gain dividends and dividends treated as qualified dividend income, for taxable years beginning before January 1, 2026, for purposes of determining their U.S. federal income tax (but not for purposes of the 3.8% Medicare tax), subject to certain holding period requirements and other limitations.