

The opinion of our tax counsel regarding our status as a REIT does not guarantee our ability to qualify as a REIT.

Our tax counsel, Goodwin Procter LLP, has rendered an opinion to us to the effect that (i) commencing with our taxable year ended December 31, 2012 we have been organized in conformity with the requirements for qualification and taxation as a REIT and (ii) our prior and proposed organization, ownership and method of operation as represented by management have enabled and will enable us to satisfy the requirements for qualification and taxation as a REIT for subsequent taxable years. This opinion is based on representations made by us as to certain factual matters relating to our prior and intended and expected organization, our past and contemplated future ownership, the valuation of our shares and our prior and intended or expected manner of operation. Goodwin Procter LLP has not verified and will not verify those representations, and their opinion assumes that such representations and covenants are accurate and complete, that we have operated and will continue to operate in accordance with such representations and covenants and that we will take no action inconsistent with our status as a REIT. In addition, this opinion is based on the law existing and in effect as of its date and does not cover subsequent periods. Our qualification and taxation as a REIT will depend on our ability to meet on a continuing basis, through actual operating results, asset composition, distribution levels and diversity of share ownership, the various qualification tests imposed under the Code discussed below. Goodwin Procter LLP has not reviewed and will not review our compliance with these tests on a continuing basis. Accordingly, the opinion of our tax counsel does not guarantee our ability to qualify as or remain a REIT, and no assurance can be given that we have satisfied and will satisfy such tests for our taxable year ending December 31, 2012 or for any subsequent period. Also, the opinion of Goodwin Procter LLP is not binding on the IRS or any court and could be subject to modification or withdrawal based on future legislative, judicial or administrative changes to U.S. federal income tax laws, any of which could be applied retroactively. Goodwin Procter LLP has no obligation to advise us or the holders of our stock of any subsequent change in the matters stated, represented or assumed in its opinion or of any subsequent change in applicable law.

We may owe certain taxes notwithstanding our qualification as a REIT.

Even if we qualify as a REIT, we will be subject to certain U.S. federal, state and local taxes on our income and property, on taxable income that we do not distribute to our stockholders, on net income from certain "prohibited transactions" and on income from certain activities conducted as a result of foreclosure. We may, in certain circumstances, be required to pay an excise or penalty tax (which could be significant in amount) in order to utilize one or more relief provisions under the Code to maintain our qualification as a REIT. In addition, we may engage in certain activities through one or more TRSSs, and the income of those subsidiaries will be subject to U.S. federal income tax at regular corporate rates. Furthermore, to the extent that we conduct operations outside of the United States, our operations would subject us to applicable foreign taxes, regardless of our status as a REIT for U.S. federal income tax purposes.

In the case of assets we owned as of January 1, 2012, the start of our first REIT taxable year, we also will be subject to U.S. federal income tax, sometimes called the "sting tax," at the highest regular corporate tax rate, which is currently 35%, on all or a portion of the gain recognized from a taxable disposition of any such assets occurring within the 10-year period following that date, to the extent of the asset's built-in gain based on the fair market value of the asset as of that date in excess of our then tax basis in the asset. Gain from a sale of such an asset occurring after the 10-year period ends will not be subject to this sting tax. We are under no obligations to retain these assets to avoid this tax. We estimate the maximum amount of built-in gain potentially subject to the sting tax is approximately \$7,077,000, which corresponds to a maximum potential tax of approximately \$2,477,000 (based on current tax rates and the valuation of the properties based on the estimated price per share of this offering or negotiated prices).