

by us) on the date of the revaluation. Our operating partnership may issue preferred partnership interests, in connection with acquisitions of property or otherwise, which could have priority over Common Units with respect to distributions from our operating partnership, including the Common Units we own.

Redemption Rights

Any future limited partners, other than us or our subsidiaries, will receive redemption rights, which will enable them to cause our operating partnership, on or after the date that is 12 months from the date of issuance of a Common Unit to a limited partner, to redeem all or a portion of the Common Units held by such limited partner in exchange for cash, or at our option, for shares of our common stock on a one-for-one basis. The cash redemption amount per Common Unit would be based on the market price of our common stock at the time of redemption. The number of shares of our common stock issuable upon redemption of Common Units held by limited partners may be adjusted upon the occurrence of certain events such as stock dividends, stock subdivisions or combinations. We expect to fund cash redemptions, if any, out of available cash and/or borrowings. Notwithstanding the foregoing, a limited partner will not be entitled to exercise its redemption rights if the delivery of common stock to the redeeming limited partner would cause:

- the redeeming partner or any other person to violate any of the restrictions on ownership and transfer or our stock contained in our charter;
- a termination of our operating partnership for U.S. federal or state income tax purposes (except as a result of the redemption of all units other than those owned by us);
- our operating partnership to cease to be classified as a partnership for U.S. federal income tax purposes (except as a result of the redemption of all units other than those owned by us);
- our operating partnership to become, with respect to any employee benefit plan subject to Title I of Employee Retirement Income Security Act of 1974, or ERISA, a “party-in-interest” (as defined in Section 3(14) of ERISA) or a “disqualified person” (as defined in Section 4975(e) of the Code);
- any portion of the assets of our operating partnership to constitute assets of any employee benefit plan pursuant to Department of Labor Regulations Section 2510.2-101;
- our operating partnership to become a “publicly traded partnership,” as such term is defined in Section 7704(b) of the Code, that is taxable as a corporation for U.S. federal income tax purposes;
- our operating partnership to be regulated under the 1940 Act, the Investment Advisers Act of 1940, as amended, or ERISA; or
- an adverse effect on our ability to continue to qualify as a REIT or, except with our consent, cause any taxes to become payable by us under Section 857 or Section 4981 of the Code.

Reimbursement of Expenses

In addition to the administrative and operating costs and expenses incurred by our operating partnership, our operating partnership generally will pay all of our administrative costs and expenses, including:

- all expenses relating to our formation and continuity of existence and operation;
- all expenses relating to offerings, registrations and repurchases of securities;