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Earn 14.95% annual interest by investing in ERC Communities 5-year corporate secured note offering. Features include:

- **Taking advantage of America's housing shortage with ERC's affordable build-for-rent manufactured home communities, offering 100% brand new 1,400 sq. ft/ 3 bed / 2 bath homes in strategic growth areas.**
- **Minimum interest rate of 14.95% with variable features to protect against rising interest rates.**
- **1ST YEAR INTEREST PREPAID AT DATE OF INVESTMENT.**

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ERC COMMUNITIES 1, INC.

INVESTOR REVIEW – September 2025

- 1. Corporate Note Summary.**
- 2. Business Plan Review & Initial Projections.**
- 3. Corporate Directory.**
- 4. Links page:**
 - a) 2024 SEC-qualified Regulation A Plus Offering Circular.**
 - b) www.erccommunities.com.**
- 5. 12-31-24 Financial Statements.**
- 6. Manufactured Home Build-for-Rent Concept Study.**
- 7. Key Executives and Advisors:**
 - a) Gerald Ellenburg.**
 - b) Ryan Koenig.**
 - c) Ryan Ellenburg.**
 - d) Tracy Rosensteel.**
 - e) Kevin Harrington.**
 - f) Bryan Langton.**



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ERC COMMUNITIES 1, INC.

INVESTOR REVIEW

September 2025

1. CORPORATE NOTE SUMMARY

ERC Communities 1, Inc., a Delaware corporation, is offering corporate note purchase opportunities to accredited investors. A brief summary and usage of the corporates notes follows –

- Total Note Offering.....\$10,000,000
- Maximum Term.....5 Years
- Minimum Interest Rate.....14.95% and variable to protect rising rates
- Convertible to Shares of ERC Communities 1, Inc. at 20% Discount off Offering Price
- Payment terms:
 - a) First Year is Prepaid.
 - b) Commencing Month 13 – payments of interest only.
- Prepayment:
 - c) Payable at any time and in any amount in advance of the 5 years without penalty.
- Minimum Corporate Loan Purchase.....\$10,000
- Security:
 - d) Collateral security agreement securing all the assets of ERC Communities 1, Inc.



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ERC COMMUNITIES 1, INC.

INVESTOR REVIEW & INITIAL PROJECTIONS

September 2025

2. BUSINESS PLAN REVIEW

ERC Communities 1, Inc. ("ERC") is a multi-residential housing developer and owner-operator using brand new 1,400 square foot manufactured homes to compete in the "BFR" (build-for-rent) sector of U.S. housing. The company plans a nationwide development of such properties ranging in size from 75 rental units to over 500, commencing in the Southeast sector of the nation and then branching out to areas designated as affordable and in high population growth. The company acquires land, then performs all horizontal development, and then takes delivery of new manufactured homes boasting 1,400 sq. ft. / 3 bed / 2 bath / separate laundry rooms, built to specific FHA, HUD, and FEMA standards. These homes project a useful life well beyond 50 years.

Housing affordability in growing areas, together with current interest rates, are making it very difficult for first-time homebuyers, and many such families choose now to live separately in lieu of crowded multi-family, multi-floor buildings, particularly those families with children. We project an average three-year tenancy with families such as these, given that many could / should be able to qualify for traditional home-purchase. However, case study has instructed us that we should expect a major influx of seniors, whose typical tenancy lasts through the duration of their lives, meaning as much as 20 years+ of tenancy.

While the typical model for manufactured homes is to develop the land, purchase homes, and then re-sell the homes to residents, that is NOT ERC's business model. We plan to retain ownership of the homes and rent them out fully, along with the sites themselves. So, we are not competing with traditional manufactured home communities, and we are not thereby at risk of the various state laws that govern rent levels with residents – a huge issue in certain states.



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ERC's Co-Founder / Chairman / CEO – Gerald Ellenburg – hails from the manufactured home community industry, having built up a 26,000+ rental unit inventory over 17 states in the 1980's and 1990's. He is well experienced in this discipline of real estate.

This business plan could be called a "YIELD SPREAD OPPORTUNITY", meaning that we will fully build out our sites at a projected 8% yield / capitalization rate, but we are being valued at a 6% yield / capitalization rate. This 2% decrease in required yield equates to an appropriate 33 1/3% gain in value at completion, which typically will take no longer than 18 months, depending on the size of development. Example:

- Total asset cost in ERC's suburban Tampa project.....\$43,000,000
- Projected net operating income upon completions.....\$3,440,000
- Projected yield (\$3,440,000 divided by \$43,000,000).....8%
- 6% valuation (\$3,440,000 divided by 6%).....\$57,300,000
- Projected gross gain on our Tampa project.....\$14,300,000

Current plans call for a "one-on-one" decision plan on disposition of these properties – we may build portfolio with them and / or we may immediately sell select properties. To whatever extent we build a large portfolio, we could then be a candidate for a New York Stock Exchange REIT conversion.

REFERENCES – ERC COMMUNITIES 1, INC. REGULATION A PLUS OFFERING, included in this package and meant for due diligence only and not meant for investment purposes.



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ERC COMMUNITIES 1, INC.

INVESTOR REVIEW

September 2025

3. CORPORATE DIRECTORY



GolfSuites



CORPORATE DIRECTORY – 2025

GOLFSUITES

ERC COMMUNITIES

www.golfsuites.com www.erccommunities.com

PARENT COMPANY PRINCIPAL OWNERSHIPS:

• Gerald Ellenburg Family Affiliates	30%	30%
• Ryan Koenig	20%	20%
• Michael Reiner Family Affiliates	20%	20%
• Bryan Langton Family Affiliates	<u>10%</u>	<u>10%</u>
	<u>80%</u>	<u>80%</u>

PARENT COMPANY & AFFILIATE SUBSIDIARY OWNERSHIPS:

• GolfSuites 1, Inc.	77.774%	
• ERC Communities 1, Inc.		82.874%
• KHBH, LLC	4.575%	4.875%
• Domani Consulting, LLC	4.575%	4.875%
• Ken Merlo	2.288%	2.438%
• VACC Partners, LLC	2.288%	2.438%
• Reg A / D Shareholders	<u>8.5%</u>	<u>2.5%</u>
	<u>100%</u>	<u>100%</u>

GOLFSUITES FRANCHISING, LLC OWNERSHIP:

• GolfSuites 1, Inc.	75.45%
• Domani Consulting, LLC	5%
• Ken Merlo	2.5%
• VACC Partners, LLC	2.5%
• Sierra Five Investments, LLC	2.5%
• Investors	<u>12.05%</u>
	<u>100%</u>



GolfSuites



GOLFSUITES

ERC COMMUNITIES

DIRECTORS / OFFICERS:

- **Gerald Ellenburg** Chairman / Chief Executive Officer
- **Ryan Koenig** Vice-Chairman / Chief Development & Operations Officer

GOLFSUITES & ERC COMMUNITIES SENIOR ADVISORY COMMITTEE:

- **Bryan Langton, CBE** Chairman
- **Theo Prodromitis** Advisor
- **David Morris, III, CPA** Advisor
- **Terrence Decio** Advisor
- *IN MEMORIAM – MICHAEL REINER – Founding Co-Chairman*

CONSULTANTS, ADVISORS, & PROFESSIONAL AFFILIATES:

- **Winvest** Crowd Funding Advisor
- **Domani Consulting, LLC** Investment Banking & Franchise Advisor
- **Manhattan Street Capital** Reg A Facilitator
- **Out Front Brands** Press / Public Relations / Media Advisors
- **VACC Partners, LLC** Investor Relations Advisors
- **Sienna Capital Partners** Construction & Mortgage Financing Advisors
- **Mark Oldham** Golf Entertainment Advisor
- **David Morris, III, CPA** Consulting CFO
- **Venable LLP** General Counsel
- **CrowdCheck Law** SEC Compliance Counsel

OPERATING & DEVELOPMENT ENTITIES:

- **GolfSuites Lubock, LLC** – Driving Range Entertainment Center – Lubbock, TX
- **GolfSuites Baton Rouge, LLC** – Driving Range Entertainment Center – Baton Rouge, LA
- **GolfSuites Franchising, LLC** – Indoor Lounge Franchising Entity
- **GS Ventures 1, LLC** – Ownership Entity for New Driving Ranges and Indoor Lounges
- **ERC Zephyrhills, LLC** – Manufactured Home Rental Community – Zephyrhills, FL

CORPORATE OFFICES – 650 E. Bloomingdale Ave., Brandon, FL 33511 / (813) 621-5000



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ERC COMMUNITIES 1, INC.

INVESTOR REVIEW

September 2025

4. LINKS

**February 2024 SEC Qualified Regulation Plus
Public Offering – Not Currently Available**

https://www.sec.gov/Archives/edgar/data/1772602/000110465924025677/tm2329291d7_253g2.htm

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ERC COMMUNITIES 1, INC.

INVESTOR REVIEW

September 2025

5. FINANCIAL STATEMENTS

ERC Communities, Inc.
and Subsidiaries

Consolidated Financial Statements

As of, and for the Years Ended December 31, 2024 and 2023
UNAUDITED - NO ASSURANCE GIVEN



ERC Communities, Inc.

and Subsidiaries

Consolidated Financial Statements

As of, and for the Years Ended December 31, 2024 and 2023

UNAUDITED - NO ASSURANCE GIVEN

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ERC Communities, Inc. and Subsidiaries
Consolidated Balance Sheets
As of December 31, 2024 and 2023
UNAUDITED - NO ASSURANCE GIVEN

	2024	2023
ASSETS		
Current assets		
Cash and cash equivalents	\$ 238,897	\$ 239,078
Property, plant and equipment		
Land	2,638,468	2,490,473
Construction-in-progress	847,009	827,189
Total property, plant and equipment	3,485,477	3,317,662
Other assets		
Real estate investments in predecessor companies	1,640,699	1,640,699
TOTAL ASSETS	\$ 5,365,073	\$ 5,197,439
LIABILITIES AND EQUITY		
Liabilities		
Current liabilities		
Notes payable, current portion	\$ 1,305,576	\$ 1,305,576
Non-current Liabilities		
Notes payable, long-term portion	306,924	361,424
Shareholder and affiliate advances	3,837,378	3,837,378
Total non-current liabilities	4,144,302	4,198,802
TOTAL LIABILITIES	5,449,878	5,504,378
Equity		
Common stock	1,702	1,702
Preferred stock	3,687,113	3,687,113
Regulation A Plus - Tier 2 Subsidiary Equity	1,158,894	1,157,201
Regulation D - Subsidiary Equity	1,536,651	1,167,923
Retained earnings	(6,469,165)	(6,320,878)
TOTAL EQUITY	(84,805)	(306,939)
TOTAL LIABILITIES AND EQUITY	\$ 5,365,073	\$ 5,197,439

The accompanying notes are an integral part of these financial statements.

ERC Communities, Inc. and Subsidiaries
Consolidated Statement of Operations
For the Years Ended December 31, 2024 and 2023
UNAUDITED - NO ASSURANCE GIVEN

	2024	2023
Revenues	\$ -	\$ -
Cost of revenues	-	-
Gross profit (loss)	-	-
Operating expenses		
Advertising and marketing	-	-
Salaries		
Operational	-	-
Corporate	26,000	226,008
Property lease and affiliated costs	2,805	12,612
Equipment and repairs	-	9,802
Utilities and telephone	200	27,529
Insurance	30,744	110,068
Professional fees	-	66,266
Property and local taxes	-	2,060
Other selling, general and administrative	30,171	108,049
Total operating expenses	89,920	562,394
Operating loss	(89,920)	(562,394)
Other expense		
Interest expense	-	2,000
Total other expense	-	2,000
Net loss	\$ (89,920)	\$ (564,394)

The accompanying notes are an integral part of these financial statements.

ERC Communities, Inc. and Subsidiaries
Consolidated Statement of Stockholders' Equity (Deficit)
For the Years Ended December 31, 2024 and 2023
UNAUDITED - NO ASSURANCE GIVEN

	Common Stock	Preferred Stock	Regulation A Plus - Tier 2 Subsidiary Equity	Regulation D - Subsidiary Equity	Retained Earnings	Total Stockholders' Equity (Deficit)
Balance as of December 31, 2022	\$ 1,702	\$ 2,671,600	\$ 673,010	\$ -	\$ (4,426,449)	\$ (1,080,137)
Share issuance	-	1,015,513	484,191	1,167,923	-	2,667,627
Dividends	-	-	-	-	(177,777)	(177,777)
Dividends - Reg A Plus - Tier 2 Subsidiary	-	-	-	-	(36,304)	(36,304)
Net loss	-	-	-	-	(564,394)	(564,394)
Reg A and Reg D share sale costs	-	-	-	-	(1,115,954)	(1,115,954)
Balance as of December 31, 2023	1,702	3,687,113	1,157,201	1,167,923	(6,320,878)	(306,939)
Share issuance	-	-	1,693	368,728	-	370,421
Dividends	-	-	-	-	-	-
Dividends - Reg A Plus - Tier 2 Subsidiary	-	-	-	-	-	-
Net loss	-	-	-	-	(89,920)	(89,920)
Reg A and Reg D share sale costs	-	-	-	-	(58,367)	(58,367)
Balance as of December 31, 2024	\$ 1,702	\$ 3,687,113	\$ 1,158,894	\$ 1,536,651	\$ (6,469,165)	\$ (84,805)

The accompanying notes are an integral part of these financial statements.

ERC Communities, Inc. and Subsidiaries
Consolidated Statement of Cash Flows
For the Years Ended December 31, 2024 and 2023
UNAUDITED - NO ASSURANCE GIVEN

	2024	2023
Cash Flows from Operating Activities		
Net loss	\$ (89,920)	\$ (564,394)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Changes in operating assets and liabilities		
Other assets	-	-
Net cash used in operating activities	(89,920)	(564,394)
Cash Flows from Investing Activities		
Purchase of property and equipment	(167,815)	(1,029,474)
Real estate investments in predecessor companies	-	172,396
Net cash used in investing activities	(167,815)	(857,078)
Cash Flows from Financing Activities		
Proceeds from notes payable	-	517,000
Principal payments on notes payable	(54,500)	(50,000)
Proceeds from issuance of common stock	-	-
Proceeds from issuance of preferred stock	-	1,015,513
Dividends	-	(177,777)
Dividends - Reg A Plus - Tier 2 Subsidiary Equity	-	(36,304)
Reg A Plus - Tier 2 Subsidiary Equity	1,693	484,191
Regulation D - Subsidiary Equity	368,728	1,167,923
Shareholder advances, net	-	(647,694)
Reg A and Reg D share sale costs	(58,367)	(1,115,954)
Net cash provided by financing activities	257,554	1,156,898
Net Change In Cash and Cash Equivalents	(181)	(264,574)
Cash and Cash Equivalents, Beginning of Period	239,078	503,652
Cash and Cash Equivalents, End of Period	\$ 238,897	\$ 239,078

The accompanying notes are an integral part of these financial statements.

ERC Communities, Inc. and Subsidiaries
Notes to Consolidated Financial Statements
As of, and for the Years Ended December 31, 2024 and 2023
UNAUDITED – NO ASSURANCE GIVEN

NOTE 1 - NATURE OF OPERATIONS

ERC Communities, Inc. (which may be referred to as "ERC", the "Company" "we", "us", or "our") is an early-stage company devoted to the development of residential rental real estate in Florida and throughout the United States. ERC will oversee the acquisition of land, zoning, entitlement, design, construction and operation of the planned developments. The principal current business plan is for ERC and its subsidiaries to fully develop land that will house manufactured homes for rental.

ERC owns 95% of the common stock of ERC Communities 1, Inc. ("ERC1"), an SEC registered entity under Regulation A Plus – Tier 2 ("Reg A"). As of December 31, 2024, ERC1 preferred shareholders owned 134,799 convertible preferred shares, which can be converted on a one-to-one basis for common shares, at any time. ERC1 common shareholders owned 394,472 shares of Class A common stock. Accounting for the conversion of the preferred shares and the Class A common stock, ERC would thereby own 95.2% of ERC1. ERC1 owns 100% of ERC Zephyrhills, LLC ("Zephyrhills"), an operating entity currently developing residential rental real estate.

In July 2020 ERC 1 formed a limited liability company – ERC Zephyrhills, LLC, a Florida limited liability company ("Zephyrhills") which now owns three parcels for development – a 60-unit site was acquired in August 2020, an adjacent 60-unit site was acquired in September 2022, and an adjacent 65-unit site was acquired in July 2023.

There currently exists a \$1,200,000 mortgage on the first two sites, which is in contract to convert to \$8,500,000 of land construction financing for the two sites. Additionally, the same lender is in contract to provide mortgage financing for the third site, as well as construction financing for those sites. Another lender has provided mortgage financing for the third site totaling \$367,000.

Since inception, ERC has relied partially on advances from its shareholders to fund its operations. As of December 31, 2024, ERC had little working capital and will likely incur losses prior to generating positive working capital. These matters raise substantial concern about the ERC's ability to continue as a going concern (see Note below). If ERC cannot secure additional short-term capital, it may cease operations. These financial statements and related notes thereto do not include any adjustments that might result from these uncertainties.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accounting and reporting policies of ERC conform to accounting principles generally accepted in the United States of America ("GAAP"). ERC has adopted December 31 as the year end for reporting purposes.

Use of Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and the footnotes thereto. Actual results could differ from those estimates. It is reasonably possible that changes in estimates will occur in the near term.

Risks and Uncertainties

The Company has a limited operating history. The Company's business and operations are sensitive to general business and economic conditions in the United States. A host of factors beyond the Company's control could cause fluctuations in these conditions. Adverse conditions may include: recession, economic downturn, local competition or changes in consumer taste. These adverse conditions could affect the Company's financial condition and the results of its operations. As of December 31, 2024 the Company is operating as a going concern.

Cash and Cash Equivalents

The Company considers short-term, highly liquid investments with original maturities of three months or less, at the time of purchase, to be cash equivalents. Cash consists of currency held in the Company's checking account. As of December 31, 2024 the Company had Cash and Cash Equivalents of \$238,897.

Receivables and Credit Policy

Trade receivables from customers are uncollateralized customer obligations due under normal trade terms. Trade receivables are stated at the amount billed to the customer. Payments of trade receivables are allocated to the specific invoices identified on the customer's remittance advice or, if unspecified, are applied to the earliest unpaid invoice. The Company, by policy, routinely assesses the financial strength of its customers. As a result, the Company believes that its accounts receivable credit risk exposure is limited and it has not experienced significant write-downs in its accounts receivable balances. As of December 31, 2024 the Company did not have any outstanding accounts receivable.

Property and Equipment

Property and equipment are recorded at cost. Expenditures for renewals and improvements that significantly add to the productive capacity or extend the useful life of an asset are capitalized. Expenditures for maintenance and repairs are expensed as incurred. When equipment is retired or sold, the cost and related accumulated depreciation are eliminated from the balance sheet accounts and the resultant gain or loss is reflected in income.

Depreciation is provided using the straight-line method, based on useful lives of the assets. As of December 31, 2024 the Company had no depreciable assets. Therefore, no depreciation expense is reported in the financial statements.

The Company reviews the carrying value of property and equipment for impairment whenever events and circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. In cases where undiscounted expected future cash flows are less than the carrying value, an impairment loss is recognized equal to an amount by which the carrying value exceeds the fair value of assets. The factors considered by management in performing this assessment include current operating results, trends and prospects, the manner in which the property is used, and the effects of obsolescence, demand, competition, and other economic factors. As of December 31, 2024, the Company's assets include land for development (including capitalized carrying costs) and construction-in-process.

Real Estate Investments in Predecessor Companies

ERC has been a party to transactions wherein it has acquired remaining assets and assumed remaining liabilities of ERC Homes, LLC and ERC Homes Capital, LLC. The total invested in these assets totaled \$1,640,699 at December 31, 2024 and 2023. ERC may and most likely will

sustain losses from these transactions, and such losses will be 100% reimbursed by ERC's Chairman and President.

Income Taxes

Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due plus deferred taxes related primarily to differences between the basis of receivables, inventory, property and equipment, intangible assets, and accrued expenses for financial and income tax reporting. The deferred tax assets and liabilities represent the future tax return consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all the deferred tax assets will not be realized.

The Company is taxed as a C Corporation for federal and state income tax purposes. Due to its startup position, no tax benefits have been recorded to reflect net operating loss carry forwards. When the Company becomes profitable, the tax loss benefit will be recorded.

The Company evaluates its tax positions that have been taken or are expected to be taken on income tax returns to determine if an accrual is necessary for uncertain tax positions. As of December 31, 2024 and 2023 no accruals were needed for uncertain tax positions.

The Company is current with its foreign, US federal and state income tax filing obligations and is not currently under examination from any taxing authority.

Revenue Recognition

Since inception, the Company adopted ASC 606, Revenue from Contracts with Customers. Under ASC 606, revenue is recognized when a customer obtains control of promised goods or services, in an amount that reflects the consideration which the entity expects to receive in exchange for those goods or services.

To determine revenue recognition for arrangements that an entity determines are within the scope of ASC 606, the Company performs the following steps: (i) identify the contract(s) with a customer, (ii) identify the performance obligations in the contract, (iii) determine the transaction price, (iv) allocate the transaction price to the performance obligations in the contract and (v) recognize revenue when (or as) the entity satisfies a performance obligation. At contract inception, once the contract is determined to be within the scope of ASC 606, the Company assesses the goods or services promised within each contract and determines those that are performance obligations and assesses whether each promised good or service is distinct. The Company then recognizes as revenue the amount of the transaction price that is allocated to the respective performance obligation when (or as) the performance obligation is satisfied.

Advertising Expenses

The Company expenses advertising costs as they are incurred.

Organizational Costs

In accordance with GAAP, organizational costs, including accounting fees, legal fees, and costs of incorporation, are expensed as incurred.

Concentration of Credit Risk

The Company maintains its cash with a major financial institution located in the United States of America, which it believes to be credit worthy. The Federal Deposit Insurance Corporation insures

balances up to \$250,000. At times, the Company may maintain balances in excess of the federally insured limits.

Recent Accounting Pronouncements

In February 2016, FASB issued ASU No. 2016-02, Leases, that require organizations that lease assets, referred to as "lessees", to recognize on the balance sheet the assets and liabilities for the rights and obligations created by those leases with lease terms of more than 12 months. ASU 2016-02 will also require disclosures to help investors and other financial statement users better understand the amount, timing, and uncertainty of cash flows arising from leases and will include qualitative and quantitative requirements. The Company implemented ASU No. 2016-02 for lease accounting in 2020.

The FASB issues ASUs to amend the authoritative literature in ASC. There have been a number of ASUs to date, including those above, that amend the original text of ASC. Management believes that those issued to date either (i) provide supplemental guidance, (ii) are technical corrections, (iii) are not applicable to us or (iv) are not expected to have a significant impact on our balance sheet.

NOTE 3 – INCOME TAX PROVISION

As described above, the Company was recently formed and has only incurred costs of its start-up operations and capital raising. As such, no material tax provision yet exists.

NOTE 4 – COMMITMENTS AND CONTINGENCIES

Legal Matters

The Company is not currently involved in any litigations. Mortgages described in Note 1 are now due and payable, planned for payoff with the afore-mentioned \$29 million financing. Should such financing fail to fund, ERC 1 would need to obtain replacement financing, the failure of which could cause litigations to ensue.

Lease Expense

The Company leases office space. The lease arrangement is on a month-to-month basis and therefore does not meet the capitalization requirements of ASU No. 2016-02. The office lease expense totaled \$2,805 and \$12,612 for the years ended December 31, 2024 and 2023, respectively.

NOTE 5 – EQUITY

The Company's equity at December 31, 2024 includes \$1,702 of Common Stock, \$3,687,113 of Preferred Stock as well as equity issued related to ERC1 under Regulation A Plus - Tier 2 and Regulation D, totaling \$1,158,894 and \$1,536,651, respectively.

NOTE 6 – NOTES PAYABLE

Notes payable at December 31, 2023 and 2022 consist of the following debt instruments.

	<u>2024</u>	<u>2023</u>
Zephyrhills - Note payable, secured by a mortgage on land with an interest rate of prime plus 4.25%; 11.75% at December 31, 2024. The note calls for monthly interest only payments with an original maturity of March 6, 2023, which matured July 6, 2024 and is now due and payable.	\$ 1,200,000	\$ 1,200,000

	2024	2023
Zephyrhills - Note payable secured by a mortgage on land with an interest rate of 15.00%. The note calls for monthly payments of principal and interest of \$5,000 and matures on August 1, 2026.	\$ 312,500	\$ 367,000
Zephyrhills - Note payable, unsecured with an interest rate of 15%. The note calls for monthly interest only payments with an original maturity of June 30, 2024, which matured June 30, 2024 and is now due and payable.	100,000	100,000
Total	\$ 1,612,500	\$ 1,667,000

As of December 31, 2023, following are the principal payments due, in each of the next five years:

2025	\$ 1,314,064
2026	298,436
2027	-
2028	-
2029	-
Thereafter	-
Total	\$ 1,612,500

Interest on the Zephyrhills mortgages has been capitalized as development costs and is included in Land on the balance sheet. For the years ended December 31, 2024 and 2023, capitalized interest totaled \$147,995 and \$206,775, respectively.

NOTE 7 – RELATED PARTY TRANSACTIONS

The Company has received working capital to cover start-up expenses and operating losses in part from its common shareholders and affiliates totaling \$3,837,378 as of December 31, 2024 and 2023, respectively. These advances are recorded as a liability of the Company. ERC has formalized some of these borrowings but expects to repay all of these amounts whether a formal promissory note exists or not. As these are agreements between related parties, there is no guarantee that these rates or costs are commensurate with an arm's-length arrangement. Additionally, interest that is accrued on these obligations are not included in the Balance Sheet, as it is projected that material amounts of these obligations may convert to additional Common and Preferred Stock and is at this time indeterminable.

NOTE 8 – GOING CONCERN

These financial statements are prepared on a going concern basis. The Company began in 2018 and has limited operating history. The Company's ability to continue is dependent upon management's plan to raise additional funds and achieve and sustain profitable operations. The financial statements do not include any adjustments that might be necessary if the Company is not able to continue as a going concern.

NOTE 9 – CAPITAL ADVISOR AGREEMENTS & ADVERTISER SHARE SALES

Capital Advisor Agreements

The Company is party to four capital advisor, marketing, and financial consulting agreements with:

- Sienna Capital Partners, mortgage bankers for construction and permanent mortgage debt (since 2021).
- Domani Capital, LLC, equity capital advisors.
- Elrock Capital, debt and equity capital advisors.
- Genesis Capital, debt providers.

Domani Capital, LLC was paid \$28,400 for the year ended December 31, 2024. All other advisors are to be paid on a “success – fee” basis and have not been paid any fees in 2024.

Advertiser Share Sales

KHBH, LLC a Kevin Harrington TV affiliate, acquired 800,000 Class B common shares of ERC 1, at par, from ERC during the first quarter of 2024. After the transaction ERC owns 15,200,000 Class B common shares. Kevin Harrington TV advises the Company on marketing, internet, social media, and public relations. Mr. Harrington is a paid advertiser for Reg A share sales.

NOTE 10 – SUBSEQUENT EVENTS

Construction Financing Proposal

Subsequent to December 31, 2024, a construction financing proposal was tendered to ERC Zephyrhills for \$29 million, for construction of all land improvements and home purchases. The total estimated cost of development of all three sites is approximately \$43 million and ERC 1 is in the process of procuring equity to go along with the \$29 million construction financing.

Note Payable

As of the date of issue for these financial statements, the \$1,200,000 mortgage payable and the \$100,000 unsecured note payable have matured and are now due and payable. These loans are expected to be paid off by the \$29 million construction financing, discussed above.

Management’s Evaluation

Management has evaluated subsequent events through the date these financial statements were issued. Based on this evaluation, no other material subsequent events were identified which would require adjustment or disclosure in the financial statements of December 31, 2024.

ERC Communities, Inc. and Subsidiaries
Consolidating Balance Sheets
As of December 31, 2024 and 2023
UNAUDITED - NO ASSURANCE GIVEN

	ERC	Communities 1,	Combined	Eliminations	Consolidated	
	Communities,	Inc.			2024	2023
	Inc.	Consolidated				
ASSETS						
Current assets						
Cash and cash equivalents	\$ 238,873	\$ 24	\$ 238,897	\$ -	\$ 238,897	\$ 239,078
Property, plant and equipment						
Land	-	2,638,468	2,638,468	-	2,638,468	2,490,473
Construction-in-progress	-	847,009	847,009	-	847,009	827,189
Total property, plant and equipment	-	3,485,477	3,485,477	-	3,485,477	3,317,662
Other assets						
Investment in subsidiary	1,931,558	-	1,931,558	(1,931,558)	-	-
Real estate investments in predecessor companies	1,640,699	-	1,640,699	-	1,640,699	1,640,699
Intercompany advances	-	893,835	893,835	(893,835)	-	-
Total other assets	3,572,257	893,835	4,466,092	(2,825,393)	1,640,699	1,640,699
TOTAL ASSETS	\$ 3,811,130	\$ 4,379,336	\$ 8,190,466	\$ (2,825,393)	\$ 5,365,073	\$ 5,197,439
LIABILITIES AND EQUITY						
Liabilities						
Current liabilities						
Notes payable, current portion	\$ -	\$ 1,305,576	\$ 1,305,576	\$ -	\$ 1,305,576	\$ 1,305,576
Non-current Liabilities						
Notes payable, long-term portion	-	306,924	306,924	-	306,924	361,424
Shareholder and affiliate advances	3,837,378	-	3,837,378	-	3,837,378	3,837,378
Intercompany advances	893,835	-	893,835	(893,835)	-	-
Total non-current liabilities	4,731,213	306,924	5,038,137	(893,835)	4,144,302	4,198,802
TOTAL LIABILITIES	4,731,213	1,612,500	6,343,713	(893,835)	5,449,878	5,504,378
Equity						
Common stock	1,702	-	1,702	-	1,702	1,702
Common stock, Class A	-	4	4	(4)	-	-
Common stock, Class B	-	160	160	(160)	-	-
Additional paid-in capital	-	3,468,045	3,468,045	(3,468,045)	-	-
Preferred stock, Class A	-	1,158,894	1,158,894	(1,158,894)	-	-
Preferred stock, other	3,687,113	-	3,687,113	-	3,687,113	3,687,113
Regulation A Plus - Tier 2 Subsidiary Equity	-	-	-	1,158,894	1,158,894	1,157,201
Regulation D - Subsidiary Equity	-	-	-	1,536,651	1,536,651	1,167,923
Retained earnings	(4,608,898)	(1,860,267)	(6,469,165)	-	(6,469,165)	(6,320,878)
TOTAL EQUITY	(920,083)	2,766,836	1,846,753	(1,931,558)	(84,805)	(306,939)
TOTAL LIABILITIES AND EQUITY	\$ 3,811,130	\$ 4,379,336	\$ 8,190,466	\$ (2,825,393)	\$ 5,365,073	\$ 5,197,439

The accompanying notes are an integral part of these financial statements.

ERC Communities, Inc. and Subsidiaries
Consolidating Statement of Operations
For the Years Ended December 31, 2024 and 2023
UNAUDITED - NO ASSURANCE GIVEN

	ERC Communities, Inc.		Communities 1, Inc.		Eliminations	Consolidated	
	Inc.	Consolidated	Combined	Consolidated		2024	2023
Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cost of revenues	-	-	-	-	-	-	-
Gross profit	-	-	-	-	-	-	-
Operating expenses							
Advertising and marketing	-	-	-	-	-	-	-
Salaries							
Operational	-	-	-	-	-	-	-
Corporate	26,000	-	26,000	-	-	26,000	226,008
Property lease and affiliated costs	2,805	-	2,805	-	-	2,805	12,612
Equipment and repairs	-	-	-	-	-	-	9,802
Utilities and telephone	200	-	200	-	-	200	27,529
Insurance	30,744	-	30,744	-	-	30,744	110,068
Professional fees	-	-	-	-	-	-	66,266
Property and local taxes	-	-	-	-	-	-	2,060
Other selling, general and administrative	29,331	840	30,171	-	-	30,171	108,049
Total operating expenses	89,080	840	89,920	-	-	89,920	562,394
Operating loss	(89,080)	(840)	(89,920)	-	-	(89,920)	(562,394)
Other expense							
Interest expense	-	-	-	-	-	-	2,000
Total other expense	-	-	-	-	-	-	2,000
Net loss	\$ (89,080)	\$ (840)	\$ (89,920)	\$ -	\$ -	\$ (89,920)	\$ (564,394)

The accompanying notes are an integral part of these financial statements.

ERC Communities 1, Inc. and Subsidiaries
Consolidating Balance Sheets
As of December 31, 2024 and 2023
UNAUDITED - NO ASSURANCE GIVEN

	ERC Communities 1, Inc.	ERC Zephyrhills, LLC	Combined	Eliminations	Consolidated	
					2024	2023
ASSETS						
Current assets						
Cash and cash equivalents	\$ 24	\$ -	\$ 24	\$ -	\$ 24	\$ 205
Property, plant and equipment						
Land	-	2,638,468	2,638,468	-	2,638,468	2,490,473
Construction-in-progress	-	847,009	847,009	-	847,009	827,189
Total property, plant and equipment	-	3,485,477	3,485,477	-	3,485,477	3,317,662
Other assets						
Other assets	-	-	-	-	-	-
Advances from ERC Communities, Inc. (parent company)	893,835	-	893,835	-	893,835	810,530
Intercompany advances	1,873,927	-	1,873,927	(1,873,927)	-	-
Total other assets	2,767,762	-	2,767,762	(1,873,927)	893,835	810,530
TOTAL ASSETS	\$ 2,767,786	\$ 3,485,477	\$ 6,253,263	\$ (1,873,927)	\$ 4,379,336	\$ 4,128,397
LIABILITIES AND EQUITY						
Liabilities						
Current liabilities						
Notes payable, current portion	\$ -	\$ 1,305,576	\$ 1,305,576	\$ -	\$ 1,305,576	\$ 1,305,576
Non-current Liabilities						
Notes payable, long-term portion	-	306,924	306,924	-	306,924	361,424
Intercompany advances	-	1,873,927	1,873,927	(1,873,927)	-	-
Total non-current liabilities	-	2,180,851	2,180,851	(1,873,927)	306,924	361,424
TOTAL LIABILITIES	-	3,486,427	3,486,427	(1,873,927)	1,612,500	1,667,000
Equity						
Member equity	-	(950)	(950)	950	-	-
Common stock, Class A	4	-	4	-	4	2
Common stock, Class B	160	-	160	-	160	160
Additional paid-in capital	3,468,045	-	3,468,045	-	3,468,045	3,099,319
Preferred stock, Class A	1,158,894	-	1,158,894	-	1,158,894	1,157,201
Preferred stock, other	-	-	-	-	-	-
Retained earnings	(1,859,317)	-	(1,859,317)	(950)	(1,860,267)	(1,795,285)
TOTAL EQUITY	2,767,786	(950)	2,766,836	-	2,766,836	2,461,397
TOTAL LIABILITIES AND EQUITY	\$ 2,767,786	\$ 3,485,477	\$ 6,253,263	\$ (1,873,927)	\$ 4,379,336	\$ 4,128,397

The accompanying notes are an integral part of these financial statements.

ERC Communities 1, Inc. and Subsidiaries
Consolidating Statement of Operations
For the Years Ended December 31, 2024 and 2023
UNAUDITED - NO ASSURANCE GIVEN

	ERC	ERC	Combined	Eliminations	Consolidated	
	Communities 1, Inc.	Zephyrhills, LLC			2024	2023
Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cost of revenues	-	-	-	-	-	-
Gross profit	-	-	-	-	-	-
Operating expenses						
Advertising and marketing	-	-	-	-	-	-
Salaries						
Operational	-	-	-	-	-	-
Corporate	-	-	-	-	-	-
Property lease and affiliated costs	-	-	-	-	-	-
Equipment and repairs	-	-	-	-	-	-
Utilities and telephone	-	-	-	-	-	-
Insurance	-	-	-	-	-	-
Professional fees	-	-	-	-	-	-
Property and local taxes	-	-	-	-	-	-
Other selling, general and administrative	480	360	840	-	840	1,932
Total operating expenses	480	360	840	-	840	1,932
Operating income (loss)	(480)	(360)	(840)	-	(840)	(1,932)
Other expenses						
Interest expense	-	-	-	-	-	-
Total other expenses	-	-	-	-	-	-
Net loss	(480)	(360)	(840)	-	(840)	(1,932)
Dividends on preferred stock	-	-	-	-	-	36,304
Net loss applicable to common stockholders	\$ (480)	\$ (360)	\$ (840)	\$ -	\$ (840)	\$ (38,236)

The accompanying notes are an integral part of these financial statements.



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ERC COMMUNITIES 1, INC.

INVESTOR REVIEW

September 2025

6. MANUFACTURED HOME BUILD-FOR-RENT CONCEPT STUDY



CONCEPTUAL FEASIBILITY STUDY: MANUFACTURED HOMES BUILT-FOR-RENT

Prepared by:
Hunter Housing Economics

For: ERC Communities

June 18, 2021



Hunter Housing Economics

MARKET DATA

INSIGHTS

GUIDANCE

Hunter Housing Economics provides market analysis and advice founded on a forward-looking perspective, toward both opportunities and risks. We go beyond mere market data, drawing upon decades of experience to arrive at the best advice for our clients.

This study was prepared by Brad Hunter, a widely-followed thought-leader in the residential space for 35 years. Hunter was formerly the national director of consulting for Metrostudy, and a Managing Director at RCLCO, and has been the Chief Economist for two firms in the housing space. He has been cited on a number of news programs, in national business newspapers, and is often asked to present at national real estate conferences.

Hunter was selected to address homebuilding industry professionals on the optimal strategies for built-for-rent single family at the International Builders' Show (IBS) in early 2021 and has recently been a speaker for the Housing Innovation Alliance and the Urban Land Institute on the subject of built-for-rent. His analysis of the built-for-rent sector has recently been cited in the Wall Street Journal.

www.hunterhousingeconomics.com

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Conceptual Feasibility Study: Manufactured Homes Built-for-rent

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- Tampa and Orlando MSA Analysis 23
- Market Acceptance of Manufactured Homes 29
- Survey of Renters 33



OVERVIEW

Overview

Hunter Housing Economics was retained to study the market demand for lower-cost rental single-family homes, particularly manufactured homes. ERC Communities is starting a business of providing manufactured housing for rent in order to meet the growing need for homes at a lower rent than is currently prevalent in the market.

The middle-income renter market has been neglected in the current housing cycle. Developers have focused heavily on high-end rental apartments, but they have added relatively little to the stock of housing that middle-class families or retirees can afford.

As a result of this neglect, the Harvard University Joint Center for Housing Studies in its June 2021 report finds a large and growing share of middle-income renters to be “cost-burdened,” which means they have to pay more than 30% of their income for housing.

Although long the plight of lowest-income renters, cost burdens have moved up the income ladder. More than 80 percent of renters earning less than \$25,000 were cost burdened in 2019, with a large majority severely burdened. Remarkably, 70 percent of renter households earning between \$25,000 and \$34,999 and nearly 50 percent of renters earning between \$35,000 and \$49,999 were also at least moderately burdened. The State of the Nation’s Housing, Harvard JCHS, June 2021

A surge is underway in development of subdivisions of single-family homes and townhomes “built for rent” (abbreviated in this report as “BFR”), and they are being leased faster than developers can build them. The problem is that the homes being built for rent are typically at a price point that is higher than many households can afford comfortably. **The strategy of developing manufactured homes for rent can help greatly in meeting this societal need, and in a manner that pays strong dividends to the developer.**

Today’s manufactured homes are of a considerably higher quality, and more appealing than those of decades past. If the rent is significantly lower than for competitive site-built homes, this study concludes that **there will be exceptionally strong demand for these rental homes.**

As a key element of this study, in May 2021, Hunter Housing Economics conducted a survey of 511 people who are planning on renting a residence in Florida in the next 12 months. The survey asked them if they would prefer to rent a manufactured home if the monthly rent was the same as for a similar-size apartment. More than half of the respondents (54.0%) said they “definitely” would, and more than 30% more (30.3%) said they “probably” would prefer it over an apartment. This preference held *even* when respondents were told the location would be a few minutes farther out of town than the apartment alternative.

Overview | The Role of Built-for-Rent In Solving the Affordability Dilemma

Arising partly due to the lack of affordable housing for sale is the new **built-for-rent single-family housing sector**. Single-family built-for-rent homes have exploded from fewer than 30,000 per year to 64,000 built in 2020, and an estimated 100,000 per year by 2022 or 2023. Actual production may fall short of these numbers, but only due to a lack of available land, as the for-sale homebuilders are bidding for many of the same parcels as the built-for-rent groups.

Below is the year-by-year national forecast for built-for-rent production. Discussions with dozens of built-for-rent developers reveals that most of the players in this space are struggling to find enough land that is for sale at a price that makes the economics work for site-built housing.



There are various types of housing that are being utilized by built-for-rent developers. The exhibit on the following page lists the most prevalent types.

Overview | Product Types for Built-for-Rent

Shown on this exhibit are some of the product types and configurations emerging in the evolving BFR sector. More stratification is needed in BFR if the sector is to accommodate all of the new entrants.

Within each of these categories there is further stratification, in terms of unit size, community amenities, and age-targeting.

The entry at the bottom of this chart is “Manufactured Homes,” which is a needed product option in the ongoing stratification, and one that is still in the early stages.



SINGLE-FAMILY DETACHED
4 to 6 units/acre

Popular with families, often with dogs.
Example Players: AHV Communities, AH4R, Kinloch, Lennar, Clean Living Communities, Stellar Development



SUBURBAN TOWNHOMES
10 to 11 units/acre

Attached single-family product in suburbs, for empty-nesters, singles, divorced, roommates and couples without kids.
Example Players: BB Living, Stellar Development



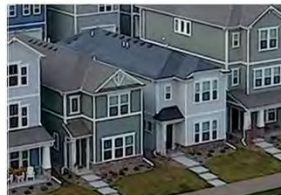
HORIZONTAL APARTMENTS
aka “Cottages”
12 units/acre

Combines advantages of single-family home with those of apartments. Popular with single women, singles, young families.
Example Players: NexMetro, Christopher Todd, Bungalows



INFILL
10 to 15 units/acre

Provide advantage of proximity to urban entertainment, jobs, as well as the services and shopping of a “close-in” suburb.
Example Players: Empire Group, Tricor, RedPeak



SMALL DETACHED
7 to 9 units/acre

When zoning allows small high-density detached homes. Appeals to young families, often with dogs.
Example Players: Watermark Equity Group, Tricon



MANUFACTURED HOMES
5 to 7 units/acre

Popular with middle-class families who need more than an apartment can offer.
Example Players: **ERC** Communities

Source: Hunter Housing Economics

"From the outside, a manufactured single-family home looks absolutely no different from a 100 percent stick-built building. As the technologies have improved, we have seen them move into more urban and suburban settings... There are important aspects to applying manufacturing processes to housing that offer real opportunities to address some of the affordability challenges."

Christopher Ptomey, executive director for the Urban Land Institute Terwilliger Center for Housing



Examples of manufactured homes by Palm Harbor Homes.

<https://www.commercialsearch.com/news/why-manufactured-housing-is-the-new-affordable-housing/> August 2020



DEMAND ANALYSIS

A Nationwide Under-Supply of Single-Family Homes

A Deficit of 4 Million Homes

A new analysis from Freddie Mac shows that the U.S. housing market is 3.8 million single-family homes short of what is needed to meet the country's demand. (The National Association of Realtors has recently received some media attention with a 5.5 million unit shortage, but of the 5.5 million, 3.8 million are single-family).

The figures underscore the severity of the housing deficit, which is a major factor fueling the strong demand today in the housing market. The shortage is especially acute for entry-level homes, Freddie Mac's research showed.

Freddie Mac reached its shortage figure by assessing the amount of single-family home building needed to match demand from household formation, second-home purchases and replacements of damaged or aging U.S. homes, and comparing that with the pace of construction. The supply shortage poses an obstacle to U.S. economic growth, by pushing up housing prices and making it difficult for first-time buyers to enter the market and build wealth, Freddie Mac said.

Home-building activity has been subdued since the 2007-09 recession, when many builders went out of business. While builders have increased activity in the past year, they are hampered by shortages of labor, materials and developed land. Many builders are pacing their home sales to make sure they don't sell more homes than they can build.

Home builders would need to construct between 1.1 million and 1.2 million single-family homes a year to meet long-term demand, but the start rate would need to be even higher to shrink the existing deficit, according to Robert Dietz, chief economist at the National Association of Home Builders.

The underlying problem since the Great Financial Crisis has been that the major homebuilding companies have focused only on the move-up market, with on DR Horton and a handful of smaller companies paying attention to the demand at the entry level. The built-for-rent business model is a key part of the solution for filling in the missing supply for young families and people in general who need a home but cannot afford to buy one.

Factors Obstructing the Development of Family Housing

Family-oriented rental housing is being delivered in relatively small quantities, even though the need for this product type is increasing. This is the key conclusion of the 2020 report from the Terwilliger Center for Housing, prepared in cooperation with RCLCO and The Urban Land Institute (ULI).

The reports states that there is a mismatch between supply of and demand for family-oriented rental housing, and that this mismatch stems from a combination of regulatory obstacles and developer resistance and unfamiliarity with ways to provide for families. They cite a “chicken or the egg” conundrum.

“...the lack of existing family-oriented rental housing serves as an obstacle to its future development. Without examples of new and successful rental housing that targets families, many developers are hesitant to deliver this product type given the uncertainty surrounding its pricing and demand potential. Similarly, most available consumer research on millennial housing preferences still focuses on immediate needs rather than future housing preferences—a large gap in industry knowledge. Many developers and investors associate family-oriented rental housing with a high level of risk, in part due to the lack of market data to suggest otherwise. Coupled with the success of other business lines, these perceptions often push the real estate community to focus on “known quantities” such as its existing development and investment strategies. Ironically enough, many of these strategies are facing increasing competition, potentially making them just as risky—if not even riskier—than family-oriented rental housing development.”

The Terwilliger study also refers to additional obstacles, such as:

- “Fiscal policy that works to avoid schoolchildren: Faced with crowded schools, many jurisdictions are unwilling to approve, and in some cases actively discourage, new housing that might attract additional schoolchildren. Rental family housing in which the tax contribution per child may well be lower than that of luxury for-sale housing proves even more problematic. For this reason, many jurisdictions currently limit or prohibit family-friendly forms of development, even as they approve seniors housing facilities, young professional-targeted apartments, and other product types that increase their tax bases without adding to their school systems.
- Fear of traffic impacts: Required practices—including traffic impact and adequate public facilities testing—also cut against the market’s ability to respond to family-oriented rental housing demand. Relative to multifamily product for younger and smaller households, family-oriented housing tends to yield higher trip generation rates, and the service requirements can indeed be more onerous as a result.
- Impact fee burden: Although impact fees are no more likely to detract from the economic feasibility of family-oriented rental housing than they are for any other product type, there may be an opportunity to tip the market in favor of more bedrooms by lessening the fees for—or even changing the payment schedules of—housing that serves working families.
- Zoning and building codes trend toward luxury housing: In some jurisdictions, the construction requirements and entitlement processes for suburban multifamily and/or low-density rental housing create unintended disincentives for developers who would otherwise be willing to experiment with this product type.”

Harvard Housing Studies and The Needs of Less Affluent Families

From the Introduction of the Harvard University Joint Center for Housing Studies, regarding the report *The State of the Nation's Housing, 2021*, just released in June 2021:

“Even as the US economy continues to recover, the inequalities amplified by the pandemic remain front-and-center. Households that weathered the crisis without financial distress are snapping up the limited supply of homes for sale, pushing up prices and **further excluding less affluent buyers from homeownership**. At the same time, millions of households that lost income during the shutdowns are behind on their housing payments and on the brink of eviction or foreclosure.”

The Housing Markets chapter of the study concluded that more housing is needed, and at a variety of price points:

“Given the extremely limited supply of homes for sale across the country, prices will likely continue to rise for the foreseeable future even if interest rates tick up and more sellers put their homes on the market. But in the longer term, robust growth in housing construction will be necessary to temper conditions in some of today’s overheated homebuying markets. However, homebuilders will need to meet the growing demand for homes of various sizes and at different price points, especially as millennials become a dominant force in the market.”

Real Home Prices Have Continued to Climb for Nearly a Decade



Note: Real home prices are adjusted for inflation using the CPI-U for All Items less shelter.

Source: *The State of the Nation's Housing*, Harvard Joint Center for Housing Studies, June 2021

Affordability

Home prices have been rising at a pace that completely outstrips income growth. This is on top of an already challenging gap between incomes and home prices.

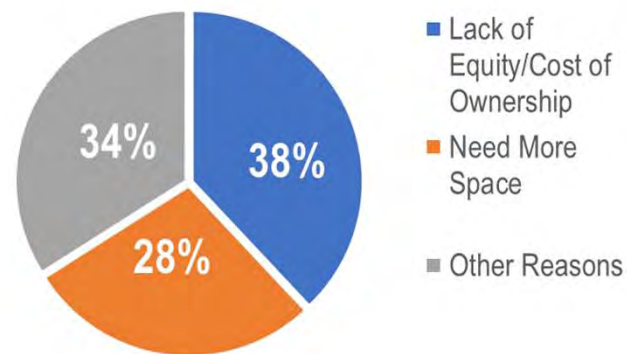
In a January 2021 report called [The Rent Eats First: Rental Housing Unaffordability in the US](#), the Harvard Joint Center for Housing Studies wrote:

“Even before the COVID-19 pandemic, renters in the United States were facing a housing affordability crisis. Nearly a quarter of renter households were spending more than half of their incomes on rent each month, leaving little income to cover other expenses.”

Further to this point, *Central Florida* (the first region for ERC's rollout) has one of the highest rates of cost-burdened renters in the country, according to recent data collected by the National Low Income Housing Coalition. Middle-income people in this region need affordable alternatives that are conducive to the needs of families with children as well as retired households.

These factors are driving more households to choose a rental single-family home, as shown below.

Reasons for Choosing a Rental Single-Family Home

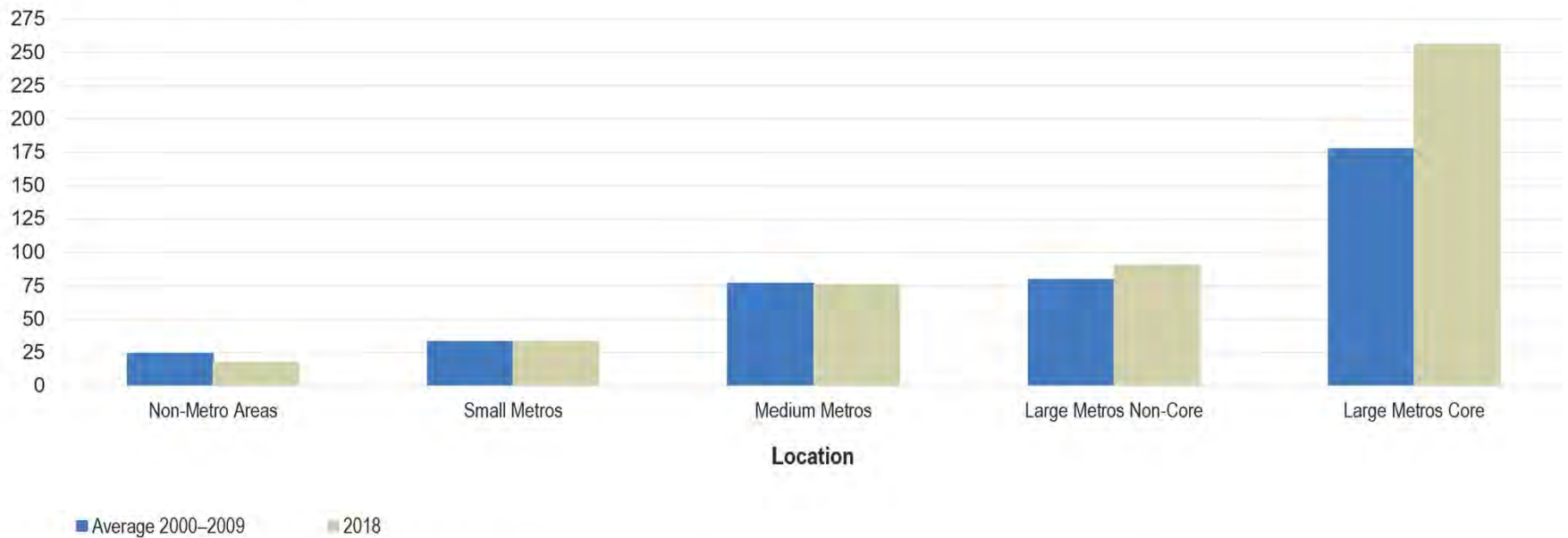


Source: JP Morgan Chase Survey, July 2020

Apartment Supply Has Been Concentrating on Dense Urban Areas

There has been a surge of apartment construction in recent years, but the bulk of it has been in the core counties of large metro areas. The needs of suburban renters have been neglected.

Multifamily Permits (Thousands)



Notes: Small metros have populations under 250,000. Medium metros have populations between 250,000 and 1 million. Large metros have populations over 1 million. Core counties in large metros contain either the largest city or any city with 250,000 residents; non-core counties are all other counties in the metro area.

Source: JCHS tabulations of US Census Bureau, New Residential Construction data and the Building Permits Survey.

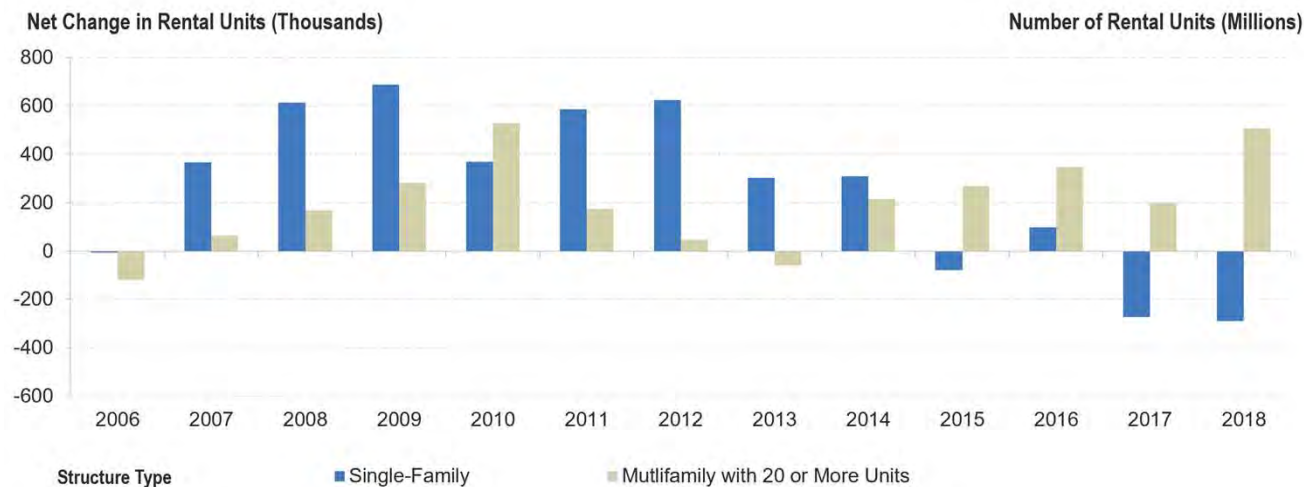
Single Family Home Inventory

The Supply of Single-Family Homes For Rent Declined

The number of available single-family units for rent rose dramatically during and after the great recession (2007-2012), but started actually declining in recent years. Many single-family homes that had been “surplus” during the weak economic years got sold to end-users who now own the units and live in them themselves. This has reduced supply. The below Statement is from the Harvard Joint Center for Housing Studies, 2020 report, [The State of the Nation’s Rental Housing](#):

“The number of single-family rentals fell by 291,000 units in 2018—a nearly 2 percent drop for the second straight year and the third net decrease in four years. The decline in single-family rentals was more geographically concentrated, with **nearly two thirds of the net losses occurring in Florida (84,000 units), California (71,000 units), and Georgia (38,000 units)**. The outflow of single-family homes from the rental stock coincides with a rebound in homebuying. Joint Center analysis of the American Housing Survey indicates that most single-family homes lost from the rental stock were converted to owner occupancy. Indeed, some 15 percent of single-family homes occupied by renters in 2015 were then occupied by owners in 2017—five times the share of owner-occupied homes converted to rentals over that period. Just 1 percent of single-family rentals were permanently lost to demolition or conversion to nonresidential uses in 2015–2017. Meanwhile, the supply of rentals in multifamily buildings with 2–4 apartments fell by 7,000 units in 2018, marking the fourth straight year of declines. The number of all other rentals, **including manufactured homes**, was also down by 31,000 units.”

Construction of single-family homes for rent is increasing now, but is still not enough to offset the reductions of rental homes that occurred in 2017-2018.



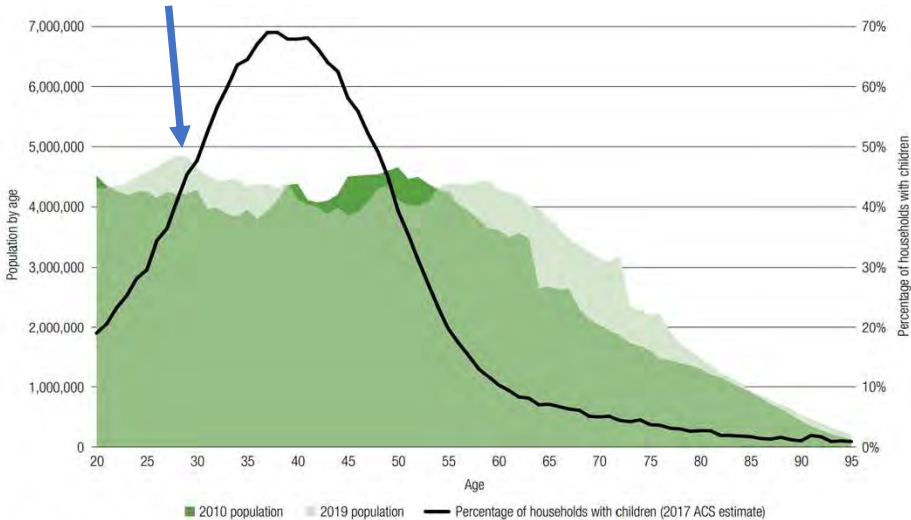
Note: Rental units may be occupied, vacant for rent, or rented but unoccupied.
Source: JCHS tabulations of US Census Bureau, American Community Survey 1-Year Estimates.

Demographic Trends Point Toward More Family Demand

Demographic trends show that there will be a pronounced increase in demand for rental housing coming from families over the next five to ten years. The demand will increase year by year over the next five years and will stay high for at least ten years.

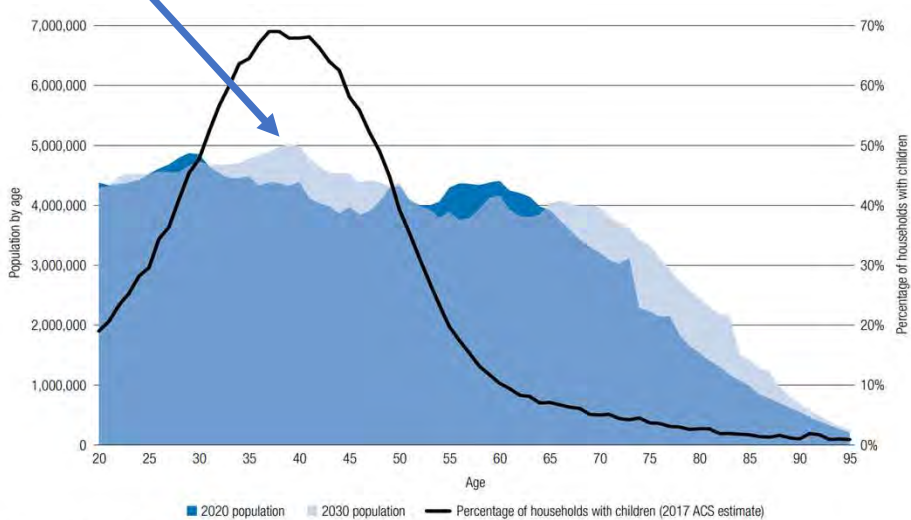
The graph on the left shows the millennial generation's population peak as of the year 2019, centered just under the age of 30. By the year 2030, it will be centered just under age 40.

Millennial bulge has only begun to hit family-formation age



Source: Terwilliger Center for Housing, Rental Family Housing, 2020

Family demand will surge over the next five years



Source: Terwilliger Center for Housing, Rental Family Housing, 2020

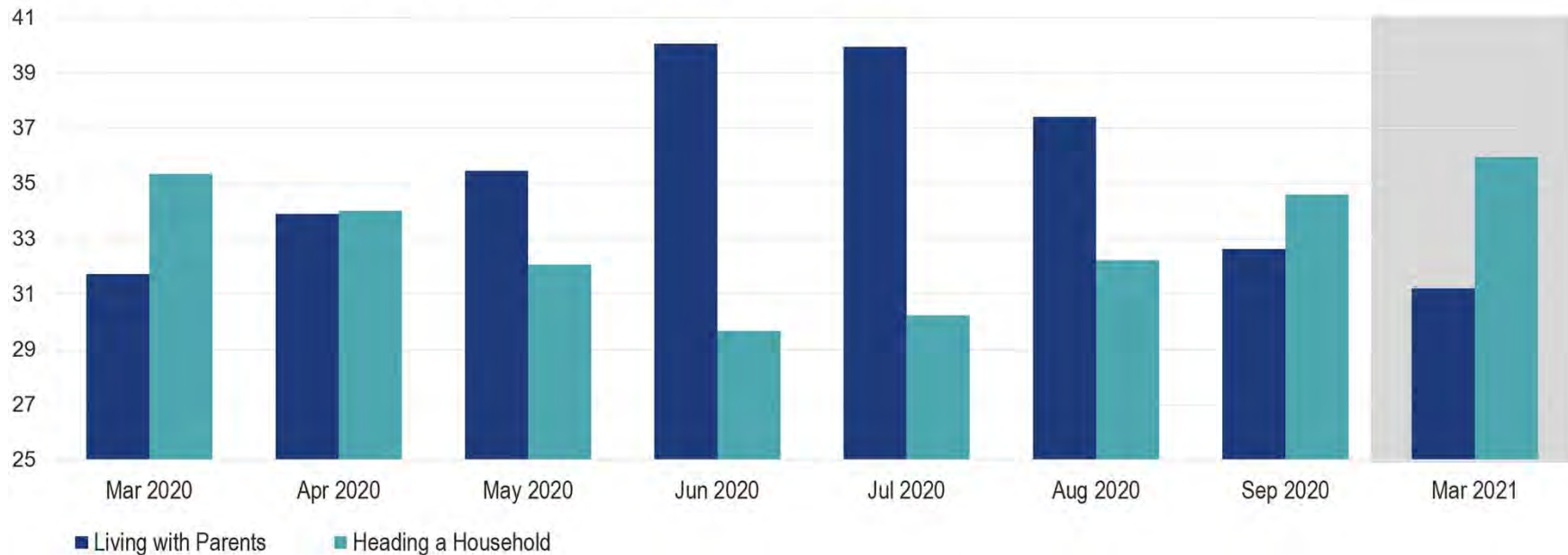
Source: Terwilliger Center for Housing, The Need for Family Housing, 2021

Over the 2020-2030 period, it is clear that there will be a massive increase in the need for all kinds of housing for families, and many of them will be potential tenants for rental single-family housing, if it is affordable to them.

After Retreating to their Parents' Homes in 2020, Young People are Again Forming Households in 2021

The pandemic and its associated economic shutdowns only created a brief temporary drag on household growth. The increase in young adults living with parents and the decline in their headship rate were nearly reversed by the end of the year. According to The Harvard Joint Center for Housing Studies (JCHS) and their analysis of Housing Vacancy Survey data, the total number of households was up by 1.5 million in the first quarter of 2021 from a year earlier, largely on the strength of higher headship rates among these young adults. The resilience of household formations among the millennial population suggests that their generation will continue to lead the growth of housing demand. The headship rates of adults under age 35 are still historically low and therefore have room to increase. In addition, the older millennials are moving into the 35-44 year old age group, a stage of life when headship rates are consistently higher.

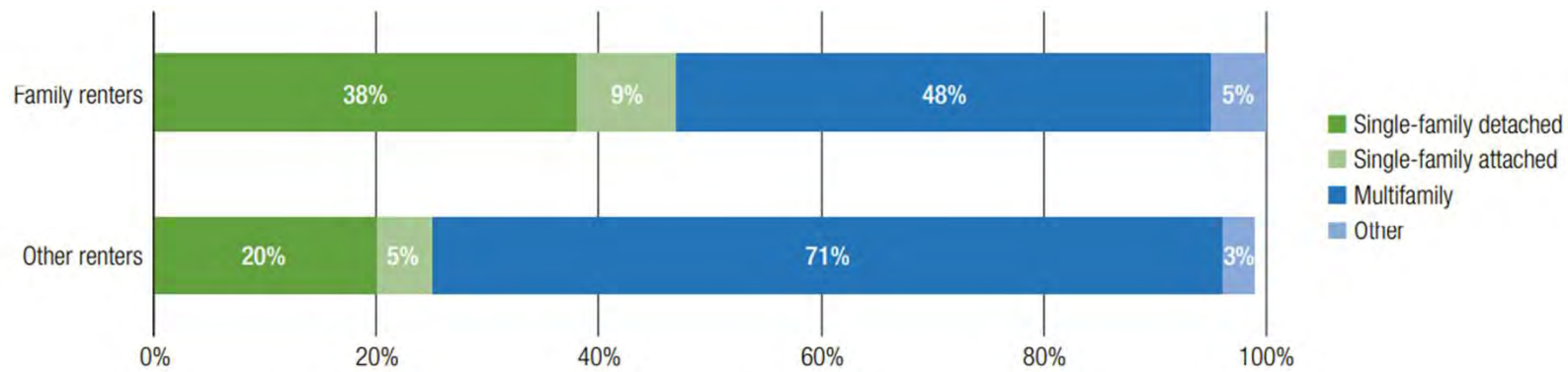
Share of Non-Student Population Aged 18–29 (Percent)



Note: Data exclude people enrolled full time in college or university.

Source: [The State of the Nation's Housing](#), Harvard Joint Center for Housing Studies, June 2021

Current Type of Rental Residence



Source: Terwilliger Center for Housing, Rental Family Housing, 2020

Most families tend to need a house rather than an apartment. This is intuitive, and it also is clear in the data. The scholarly 2020 Terwilliger Center/ULI report called Family Rental Housing: A Response to the Changing Growth Dynamics of the Next Decade confirms this, and points out the shortage of such housing for families, and outlines the need for more ways (principally rental homes) for families to be able to live in one.

The following page summarizes some key findings of this important new report.



Why Isn't More Family-Oriented Housing Being Built?

Family-oriented rental housing is being delivered in relatively small quantities, even though the need for this product type is increasing. This is the key conclusion of the 2020 report from the Terwilliger Center for Housing, prepared in cooperation with RCLCO and The Urban Land Institute (ULI). The report is called [Family Rental Housing: A Response to the Changing Growth Dynamics of the Next Decade](#).

The reports states that there is a mismatch between supply of and demand for family-oriented rental housing, and that this mismatch stems from a combination of regulatory obstacles and developer resistance and unfamiliarity with ways to provide for families. They cite a “chicken or the egg” conundrum.

“...the lack of existing family-oriented rental housing serves as an obstacle to its future development. Without examples of new and successful rental housing that targets families, many developers are hesitant to deliver this product type given the uncertainty surrounding its pricing and demand potential. Similarly, most available consumer research on millennial housing preferences still focuses on immediate needs rather than future housing preferences—a large gap in industry knowledge. Many developers and investors associate family-oriented rental housing with a high level of risk, in part due to the lack of market data to suggest otherwise. Coupled with the success of other business lines, these perceptions often push the real estate community to focus on “known quantities” such as its existing development and investment strategies. Ironically enough, many of these strategies are facing increasing competition, potentially making them just as risky—if not even riskier— than family-oriented rental housing development.”

The Terwilliger study also refers to additional obstacles, such as:

- “Fiscal policy that works to avoid schoolchildren: Faced with crowded schools, many jurisdictions are unwilling to approve, and in some cases actively discourage, new housing that might attract additional schoolchildren. Rental family housing in which the tax contribution per child may well be lower than that of luxury for-sale housing proves even more problematic. For this reason, many jurisdictions currently limit or prohibit family-friendly forms of development, even as they approve seniors housing facilities, young professional-targeted apartments, and other product types that increase their tax bases without adding to their school systems.
- Fear of traffic impacts: Required practices—including traffic impact and adequate public facilities testing—also cut against the market’s ability to respond to family-oriented rental housing demand. Relative to multifamily product for younger and smaller households, family-oriented housing tends to yield higher trip generation rates, and the service requirements can indeed be more onerous as a result.
- Impact fee burden: Although impact fees are no more likely to detract from the economic feasibility of family-oriented rental housing than they are for any other product type, there may be an opportunity to tip the market in favor of more bedrooms by lessening the fees for—or even changing the payment schedules of—housing that serves working families.
- Zoning and building codes trend toward luxury housing: In some jurisdictions, the construction requirements and entitlement processes for suburban multifamily and/or low-density rental housing create unintended disincentives for developers who would otherwise be willing to experiment with this product type.”

Rental Demand: Not Confined to People in their 30s

According to the 2020 report from the Joint Center for Housing Studies, the median age of renter households has been on the rise. The share of renter households age 55 and over increased from 22% in 2004 when homeownership rates peaked to 30 percent in 2018, lifting the median renter age from 39 to 42. In 2018, more than one in three renter households was headed by a person under age 35, compared with just one in ten homeowner households.

The number of renter households with children has grown. Although the total number of married couples with children dropped by 2.0 million over this period, the number that rented their housing *increased* by 680,000 to 5.9 million—a 13 percent jump. Similarly, even as the overall number of single-parent households dropped by 320,000, the number that rented rose by 320,000. As a result, families with children now make up a larger share of renter households (29%) than of owner households (26%). However, families with children living in owner-occupied housing still outnumber their counterparts living in rental housing. Recent increases in “other family” and “non-family” households are largely due to delays in forming independent households. For example, the number of other family households (mostly single parents living with adult children, which are not considered single parent households) grew by some 44% from 2.9 million in 2004 to 4.1 million in 2018. Although making up just 9% of all renter households in 2018, other families accounted for 17% of renter household growth over this period. Similarly, non-family households, or unrelated individuals living as roommates, made up only 11 percent of renter households but accounted for 16 percent of growth in 2004–2018. Interestingly, the average size of renter households remained at 2.3 persons in 2018, given that individuals living alone still made up more than a third of renter households overall and remained the fastest-growing household type. (Source: [State of the Nation’s Housing, 2020](#))

Key Percentages from the Harvard Report:

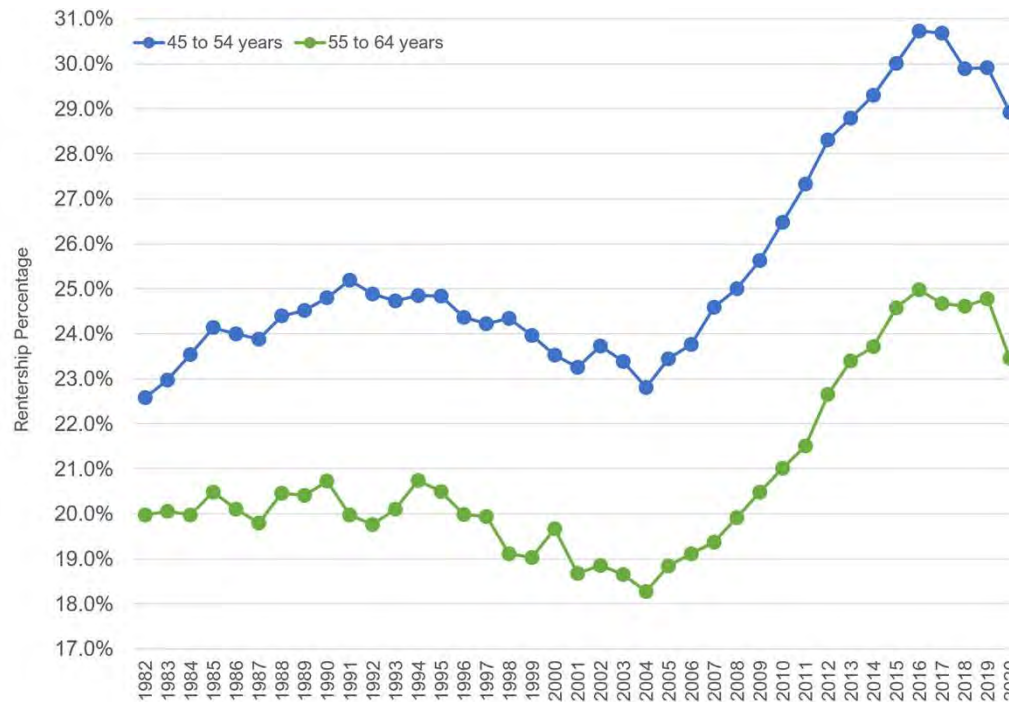
- Renters are getting older. Almost 40% of renters are aged 45 or older.
- Influencing factors when it comes to renting:
 - *Rent Price & Other Costs: 87%*
 - *Lease Terms: 76%*
 - *Unit Size: 73%*
 - *The Neighborhood/Area: 73%*
 - *Building Amenities: 66%*
 - *Unit Amenities: 62%*

The Rental Movement is Not Just Young Families

The communities being proposed by ERC Communities will appeal to families and couples as well as retirees and singles/roommates. Trends in homeownership across multiple age groups point toward a need for more rental housing options, for various household types. Even with the recent uptick, the outlook is for continued modest levels of homeownership and rising demand for rental housing.

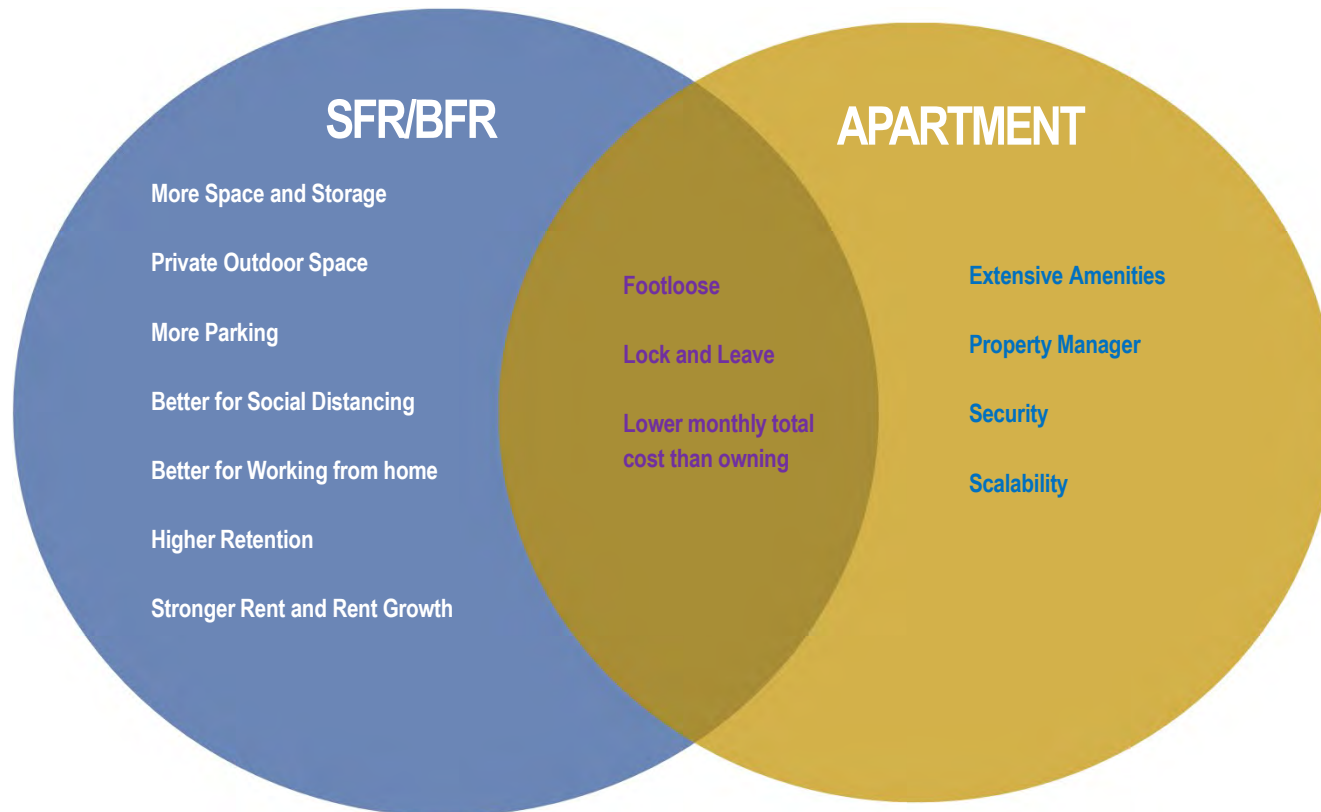
The data set below shows that even people in the 45+ age groups started renting in larger numbers in the early 2000s.

Rentership among 45-54 and 55-64 Age Groups, 1982-2020
A Shift Began in 2004



Renters' Choices and Landlords' Choices

Renters who are comparing the option of renting an apartment versus a single-family rental home can think in terms of things they have in common, and places where one has a clear advantage over the other. Similarly, property owners and developers can think about the differences in the same framework.



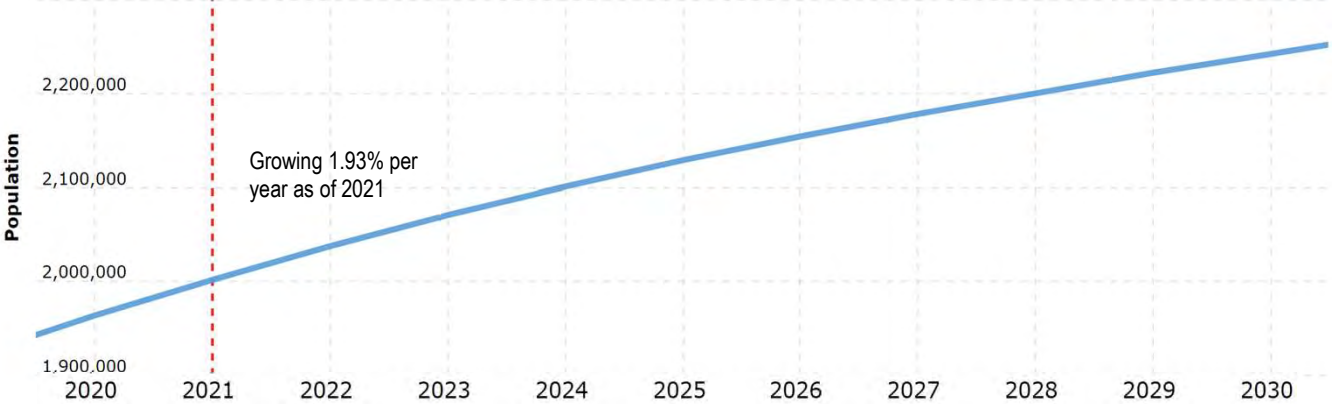


POTENTIAL IN THE TAMPA AND ORLANDO MARKETS (A HIGH-LEVEL LOOK)

Population Growth and Rental Demand in Tampa and Orlando

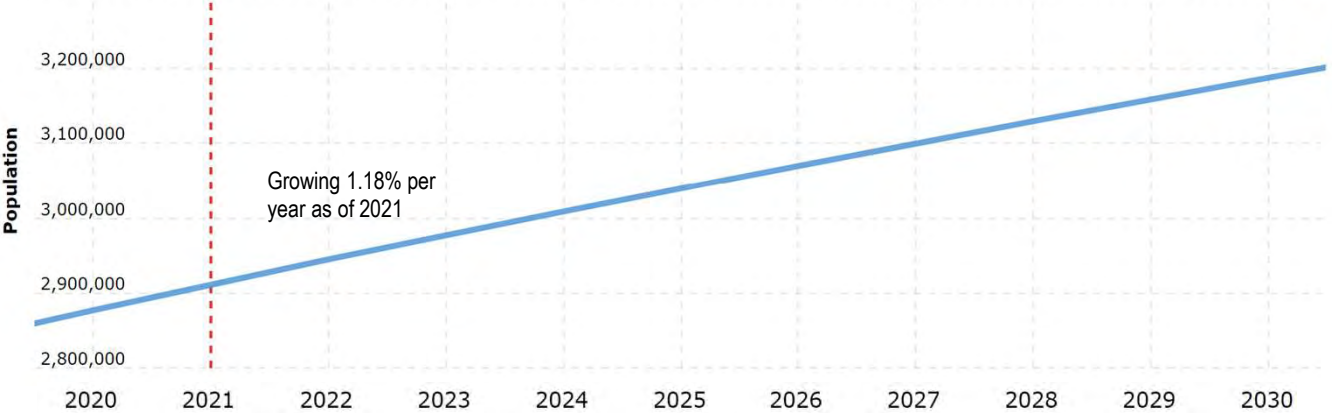
Both of the MSAs that are considered the first target markets for the ERC rental program are growing rapidly. Orlando is currently growing at close to 2% annually, and the Tampa market is growing in excess of 1% per year.

Population Growth in Orlando MSA



There are 340,000 households living in rental units in the Orlando MSA, and some percentage of them would likely move for a chance to live in a new detached home with an affordable rent.

Population Growth in Tampa MSA



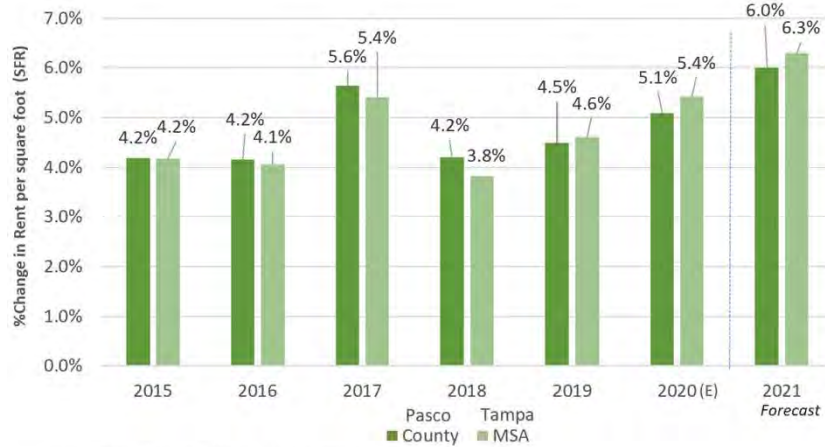
There are 406,000 households living in rental units in the Tampa MSA, and some percentage of them would likely move for a chance to live in a new detached home with an affordable rent.

Source: UN; Hunter Housing Economics

Both of these markets are experiencing rapid job growth and higher levels of household formation than in years past. Rental demand is expected to remain high as a result.

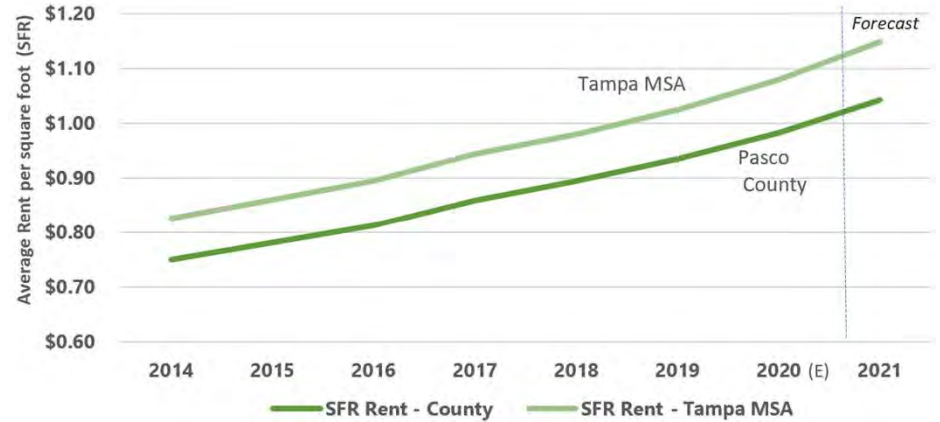
Single-family Rent Growth is High in Orlando and Tampa
(These two markets are to be the first for the ERC rollout)

SFR Rent Growth in the Tampa MSA and in Pasco County



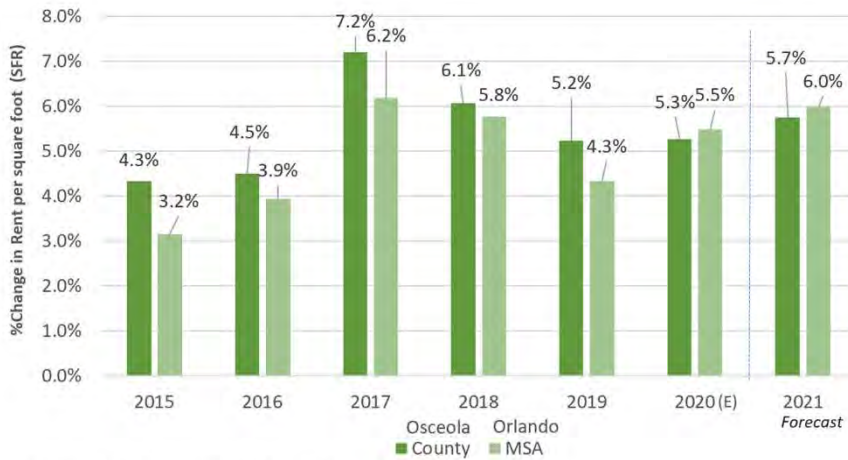
Source: Zillow (history), Hunter Housing Economics (est./forecast)

Rent Per Square Foot for Single-Family Homes in the Tampa MSA and in Pasco County



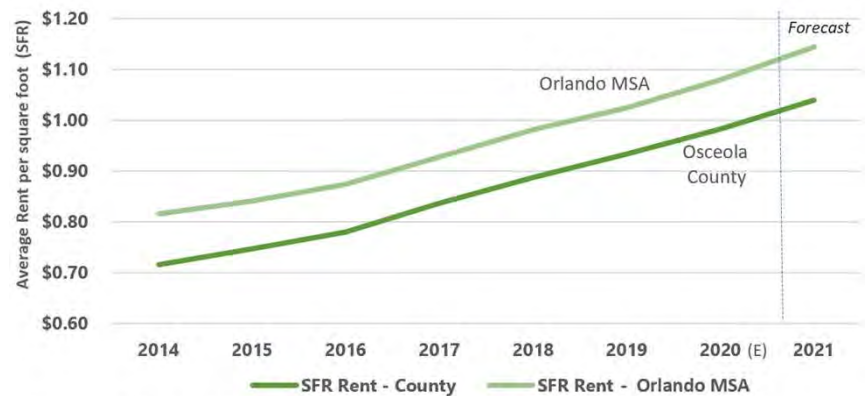
Source: Zillow (history), Hunter Housing Economics (est./forecast)

SFR Rent Growth in the Orlando MSA and in Osceola County



Source: Zillow (history), Hunter Housing Economics (est./forecast)

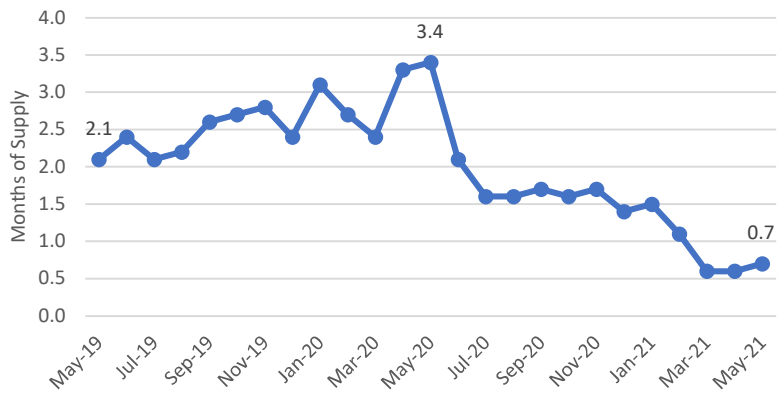
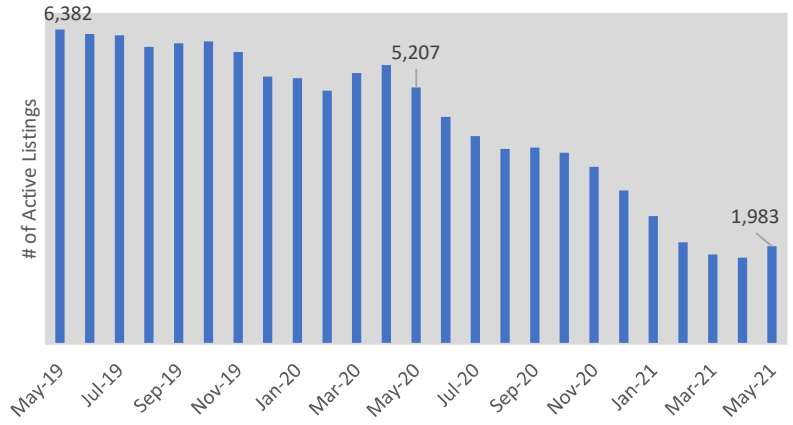
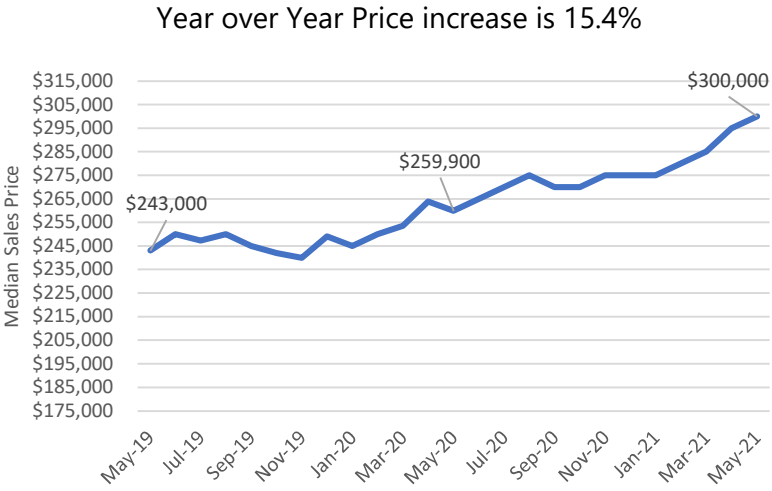
Rent Per Square Foot for Single-Family Homes in the Orlando MSA and in Osceola County



Source: Zillow (history), Hunter Housing Economics (est./forecast)

Orlando MSA Housing Market Supply

Orlando single family, for-sale supply is extremely tight, currently at less than one month's supply. Home prices have been rising at a pace much faster than incomes, and the supply of homes listed for sale has continued to drop.



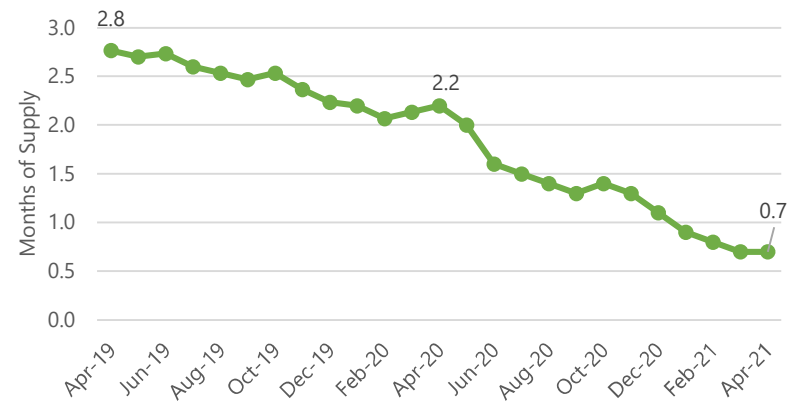
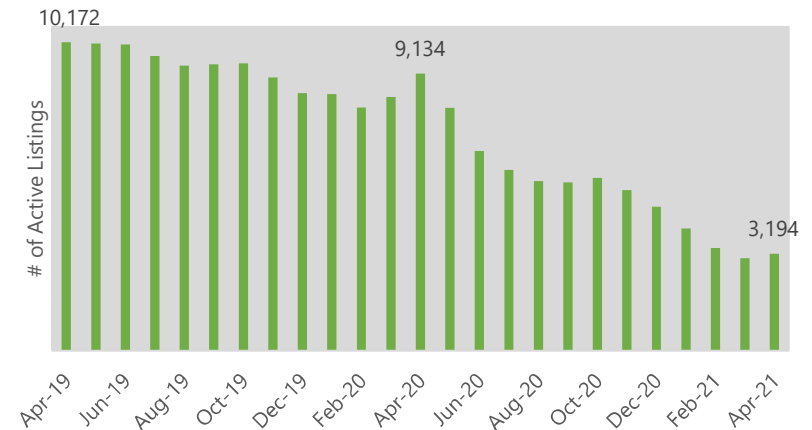
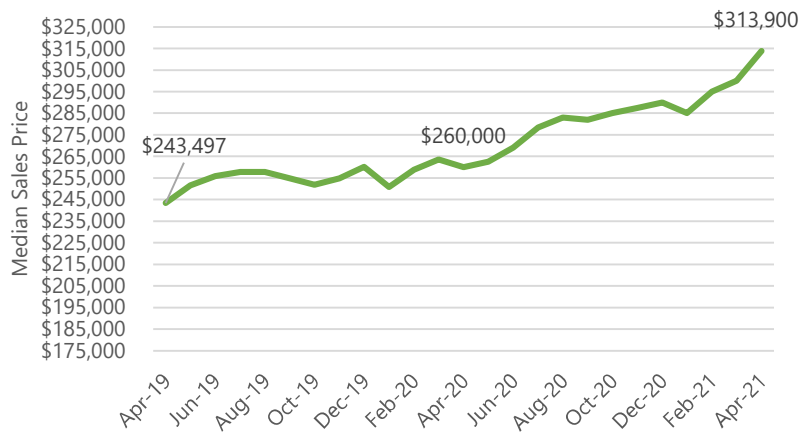
Tampa - St. Petersburg - Clearwater MSA Housing Market Supply

The Greater Tampa Bay MSA's statistics are in line with Orlando and national trends. Home prices are rising, inventories are dropping and there is a critical shortage of available inventory. Pinellas, Hillsborough and Pasco county statistics were combined in the following data, but each market is distinct. The trend in months of supply and active listings is consistent across the MSA.

For April 2021, the median price of each county is;

- Pasco - \$287,790 – 16.5% increase year-over-year
- Pinellas - \$350,000 – 20.7% increase year-over-year
- Hillsborough - \$325,000 a 20.4% increase year-over-year

Year-over-Year Median Price increase for the MSA is 20.7%



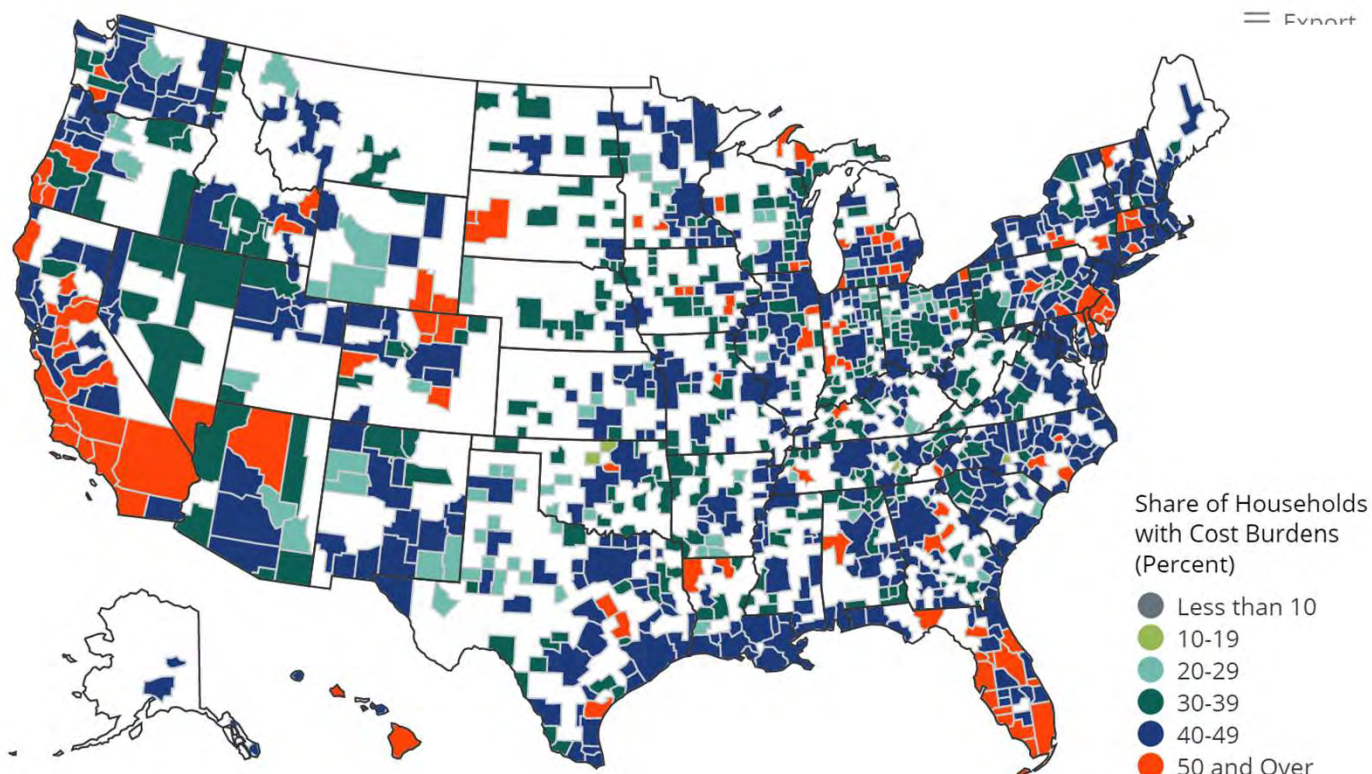
Many Cost-Burdened Rental Households in Tampa and Orlando MSAs

The MSAs that are considered the first target markets for the ERC Communities rental program have severe shortages of affordable rental housing.

54.0% of Orlando's renters are cost-burdened.

50.7% of Tampa's renters are cost-burdened.

Cost-burdened households pay more than 30% of income for housing.



Source: [The State of the Nation's Housing](#), Harvard Joint Center for Housing Studies, June 2021



MARKET ACCEPTANCE OF MANUFACTURED HOMES

Product Strength and Durability

Manufactured homes are stronger today than they have been in decades past. The subject property's construction will offer hurricane and storm-resistant homes that are still standing even after high winds, rain, hail and even worse. The pictures below are of a Palm Harbor Home that survived Hurricane Michael in 2018 on Mexico Beach.

That being the case, there are many renters who will resist living in a manufactured home. The affordable level of rents for detached single-family homes are expected to attract a large number of renters who either don't have any reservations about factory-built homes, or for whom the affordability is the more important factor.

Even though many people have concerns about manufactured homes, the survey results of this study show that most of them would still prefer a rental manufactured home to an apartment.



Quality of Manufactured Housing Has Improved

- All aspects of the construction of manufactured homes are continually inspected by professionally-trained third-party inspectors.
- Manufactured homes are constructed to adhere to the federal HUD Code. The HUD Code, regulates home design and construction, strength and durability, fire resistance and energy efficiency. HUD revised the building code in the early 1990's to enhance energy efficiency and ventilation standards and to improve the wind resistance of manufactured homes in areas prone to hurricane-force winds.
- The industry is now building a new class of homes that are indistinguishable from site-built homes, with pitched roofs with shingles and gabled ends, porches, garages, permanent foundations, and more.
- The building materials in today's manufactured homes are largely the same as those in site-built homes.
- The homes are engineered for wind safety and energy efficiency.



Enhanced Affordability

The affordability of manufactured housing is due to the efficiencies of the factory-building process. Manufactured homes are constructed with standard building materials and are built almost entirely off-site in a factory. The controlled construction environment and assembly line techniques remove many of the problems encountered during traditional home construction, such as weather, theft, vandalism, damage to building products and materials, and unskilled labor. Factory employees are trained and managed more effectively and efficiently than the system of contracted labor employed by the site-built home construction industry. Much like other assembly line operations, manufactured homes benefit from the economies of scale resulting from purchasing large quantities of materials, products and appliances. Manufactured home builders can negotiate substantial savings on many components used in building a home.

The construction cost for these homes is roughly half the price per square foot of in-place built homes, while still offering the same luxury amenities of their traditional counterparts.

The developments contemplated by ERC Communities will be able to pass along a large portion of the cost savings to the tenants in their developments, with rents that are expected to be 20%-25% lower than the cost to rent a new site-built home.

This study concludes that the advantages of a detached home with a yard are compelling, particularly when the rents can come in on-par with upscale apartments and significantly lower than new site-built rental homes.



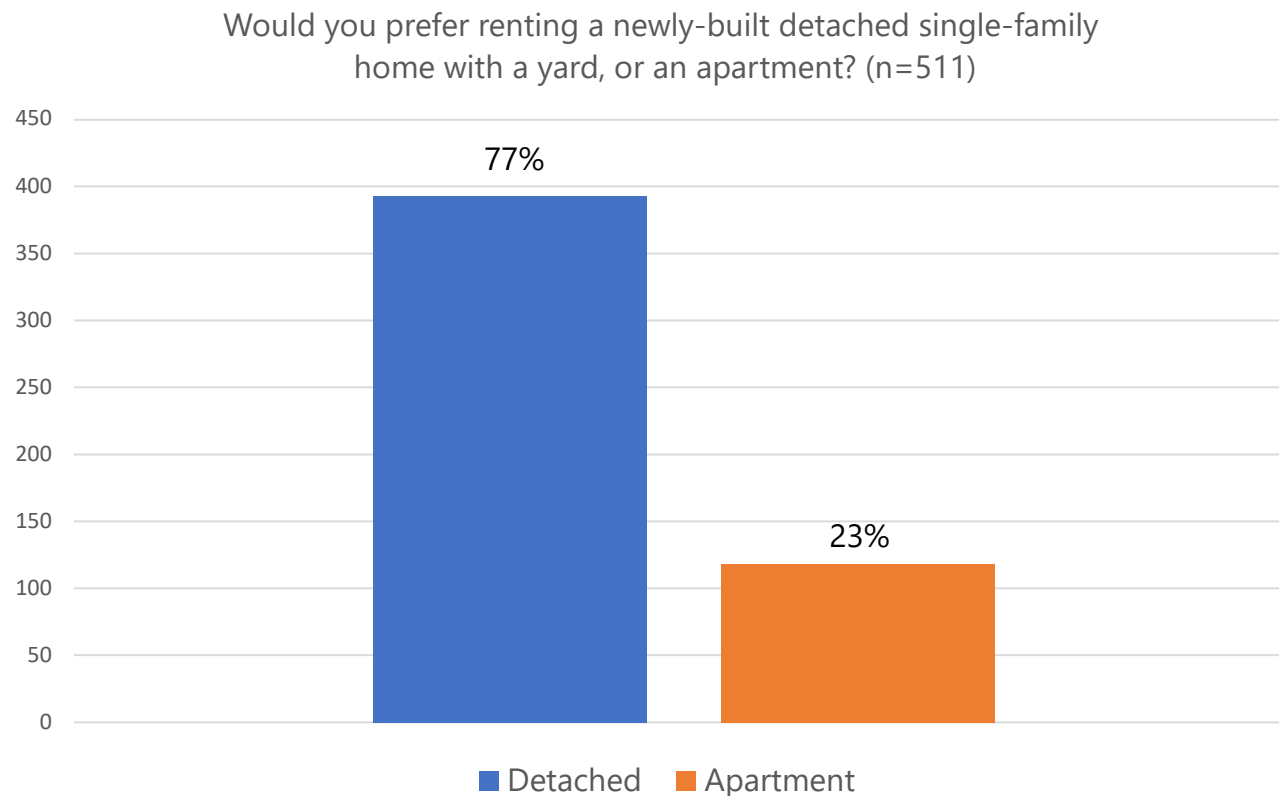


SURVEY OF RENTERS

Survey of Renters

As part of this study, in May 2021, Hunter Housing Economics, in conjunction with Dynata, conducted a survey of 511 people who are planning on renting a residence in Florida in the next 12 months. The survey asked them if they would prefer to rent a manufactured home if the monthly rent was the same as for a similar-size apartment. More than half of the respondents (54.0%) said they “definitely” would, and 30.3% said they “probably” would.

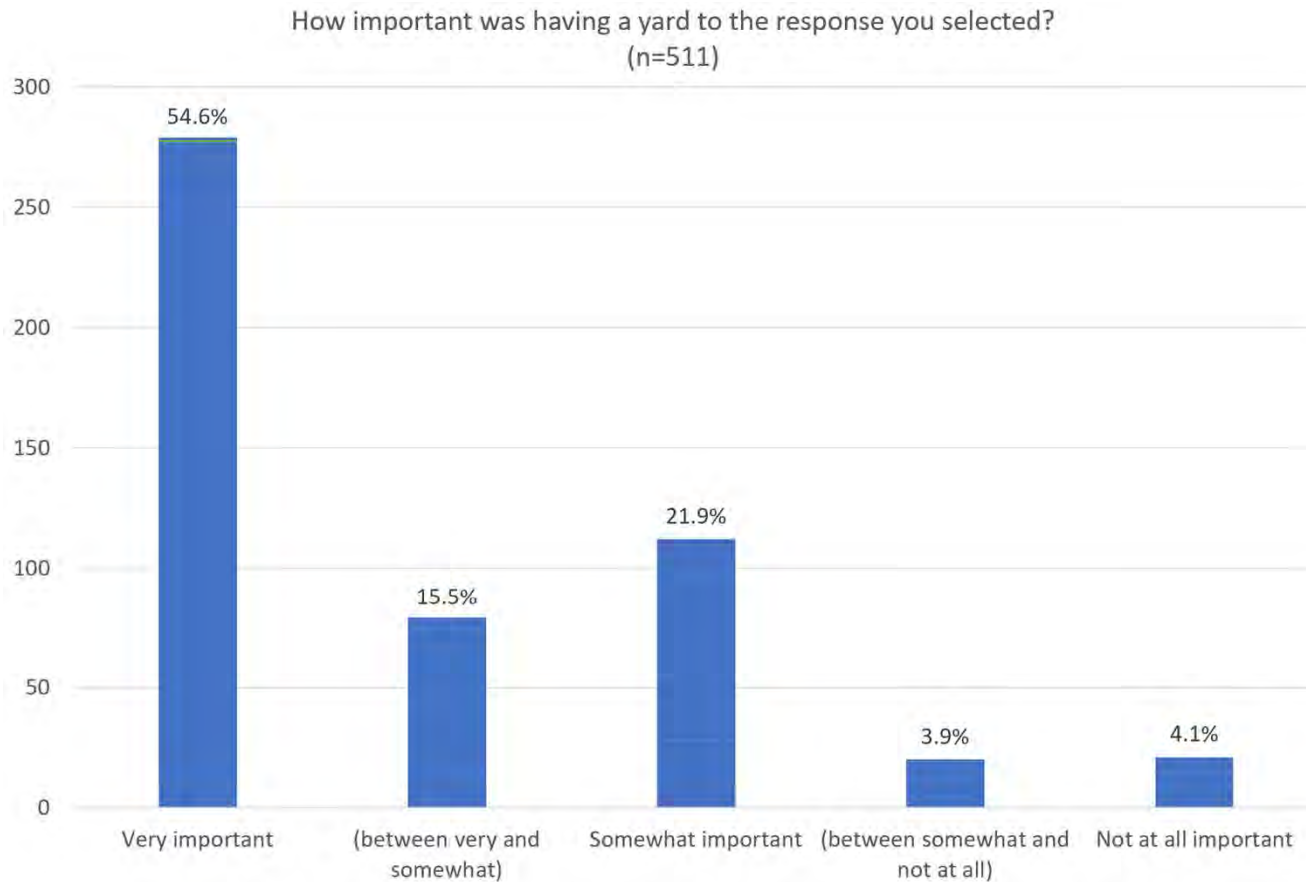
Before reaching this question, the survey asked “Would you prefer renting a newly-built detached single-family home with a yard, or an apartment?” Not surprisingly, the vast majority (77%) said they would prefer the detached home. Part of the rationale for asking this question is to find out how important a yard is. That leads into the next question, shown on the following page.



Survey of Renters

When asked how important having a yard is to the respondents' response that they prefer a detached home, close to 55% said it was a "very important" factor. A total of 92% said that the yard was somewhere between "somewhat important" and "very important."

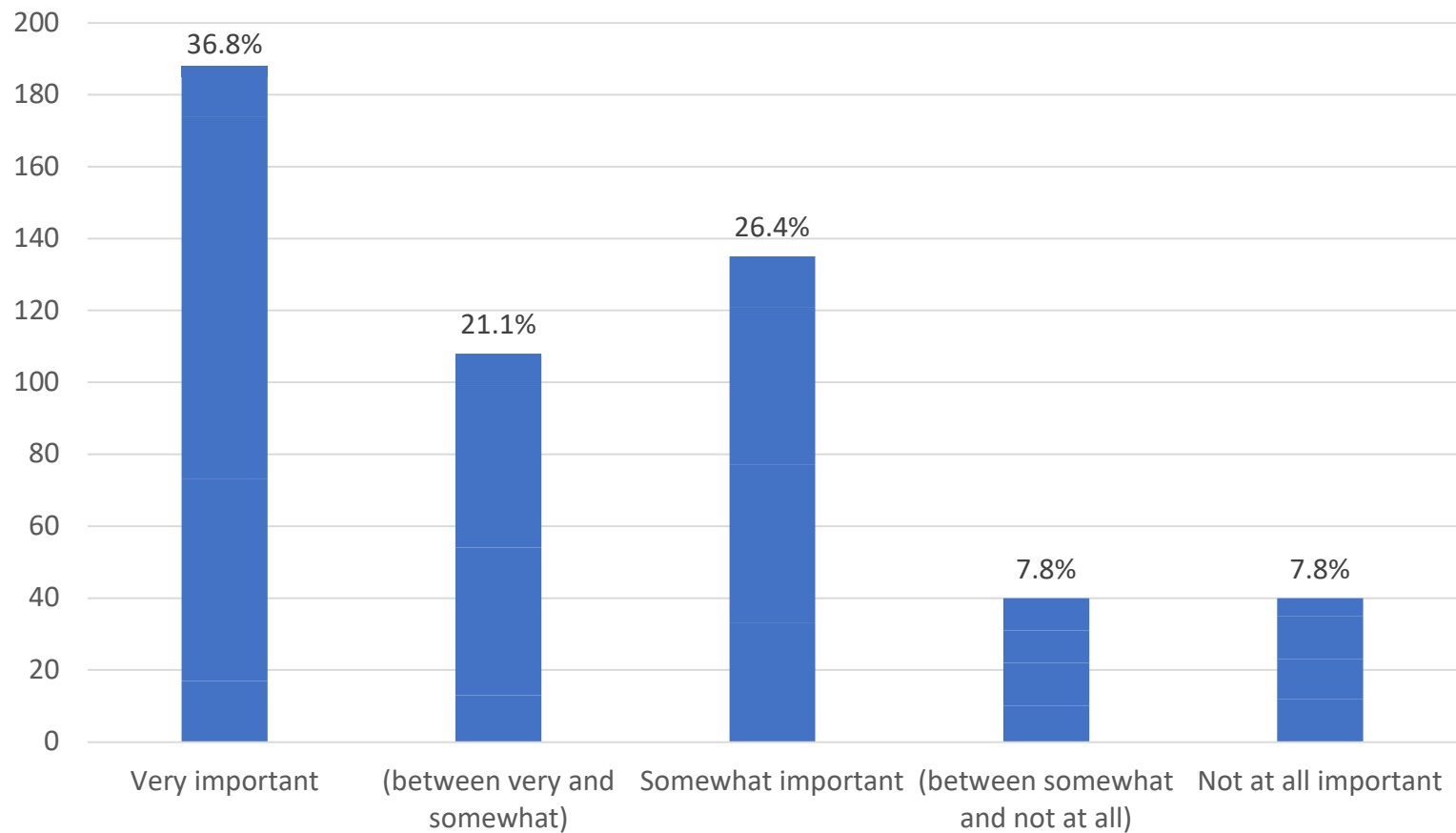
This suggests that if given an alternative to an apartment that includes a yard, they will lean in that direction.



Survey of Renters

When asked how valuable it is to have a *newly-built* home as opposed to an older one, 84.3% said that having a newly-built home was at least somewhat important, and 36.8% said it is very important.

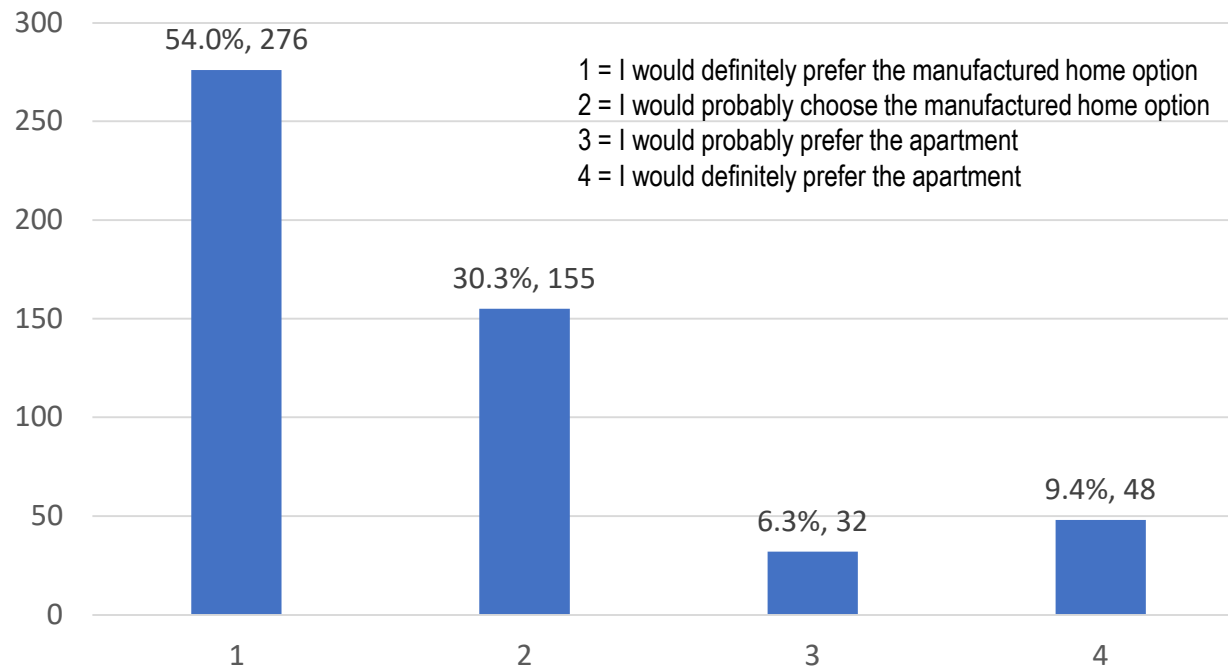
How valuable to you, on a scale of 1 to 5, is living in a newly-built home as opposed to an older one? (n=511)



Survey of Renters

The survey asked a more specific question to get respondents to state their preference between an apartment and a rental home if it was a manufactured home. 54% said they would definitely prefer the manufactured home option. 84% said either they would either “*definitely*” or “*probably*” choose the manufactured home option.

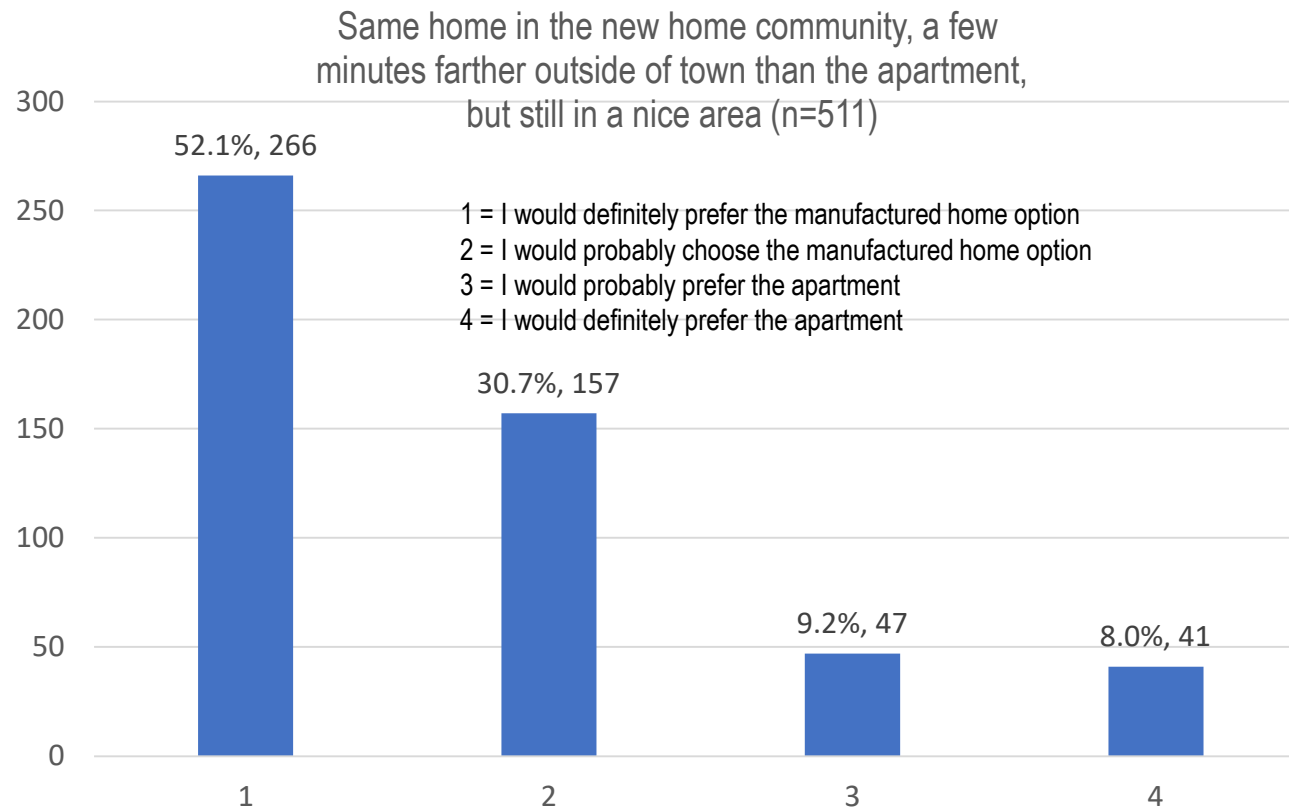
Would you rent a brand new 3/2 1,400SF manufactured home in a community of 100% new manufactured homes, vs a similar-sized apartment for the same rent (n=511)



Survey of Renters

The survey went on to check to see if those respondents would still prefer the manufactured home if it was “a few minutes farther outside of town.” This is critically important to the current business thesis, which involves sites that are in more remote suburbs. The percentage who “definitely” preferred the manufactured home ONLY declined by two percentage points, still representing the majority of responses at 52.1%. The group saying they would “probably” choose the manufactured home only went up by a small margin (reflecting some dropping from “definite” to “probable.”)

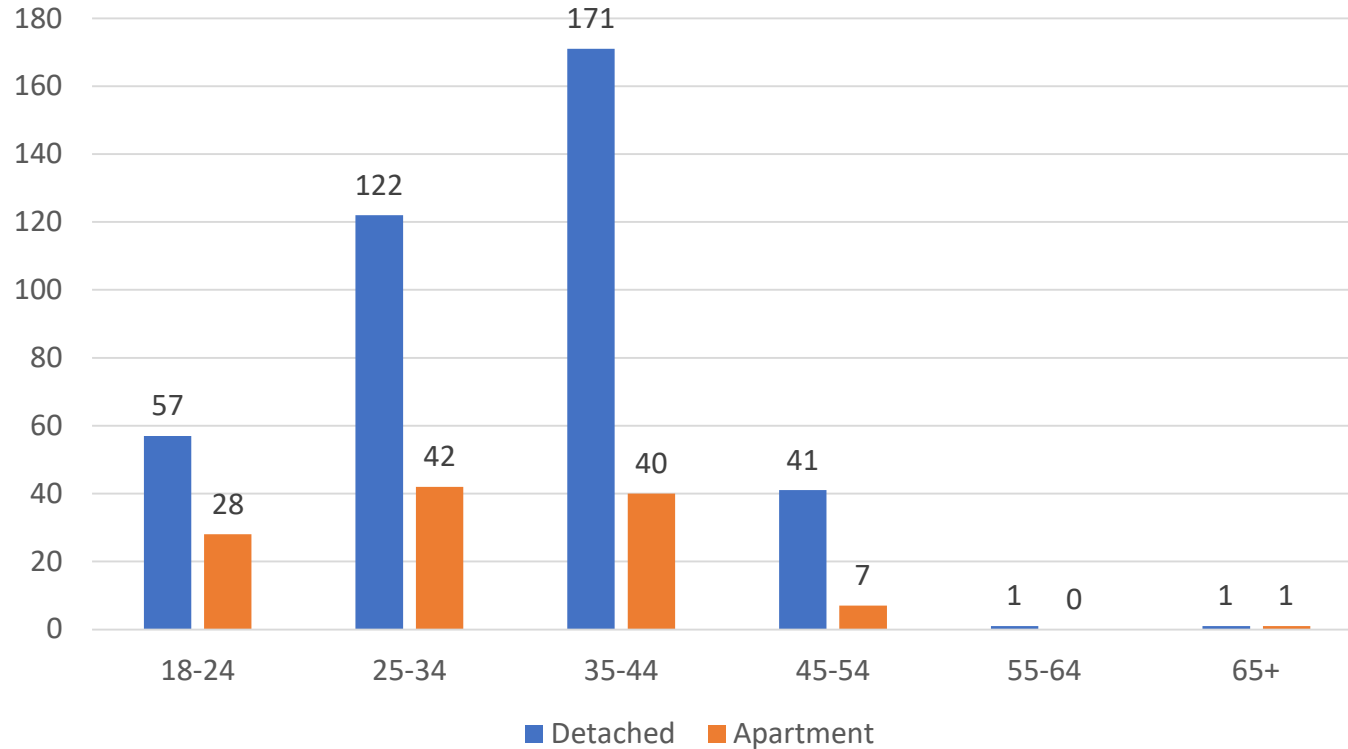
So, considering the combined percentage of those who would either definitely or probably choose the manufactured home, even if it is a few minutes farther away, we get 82.8%.



Survey of Renters

Looking at the responses by age group, all age groups indicated a preference for a single-family home, with a larger share of the 35-44 group than the younger groups. This likely reflects the fact that people in their late 30s and early 40s are more likely to have children than the younger groups, and the presence of children drives the need for a yard, more space, and a suburban locale.

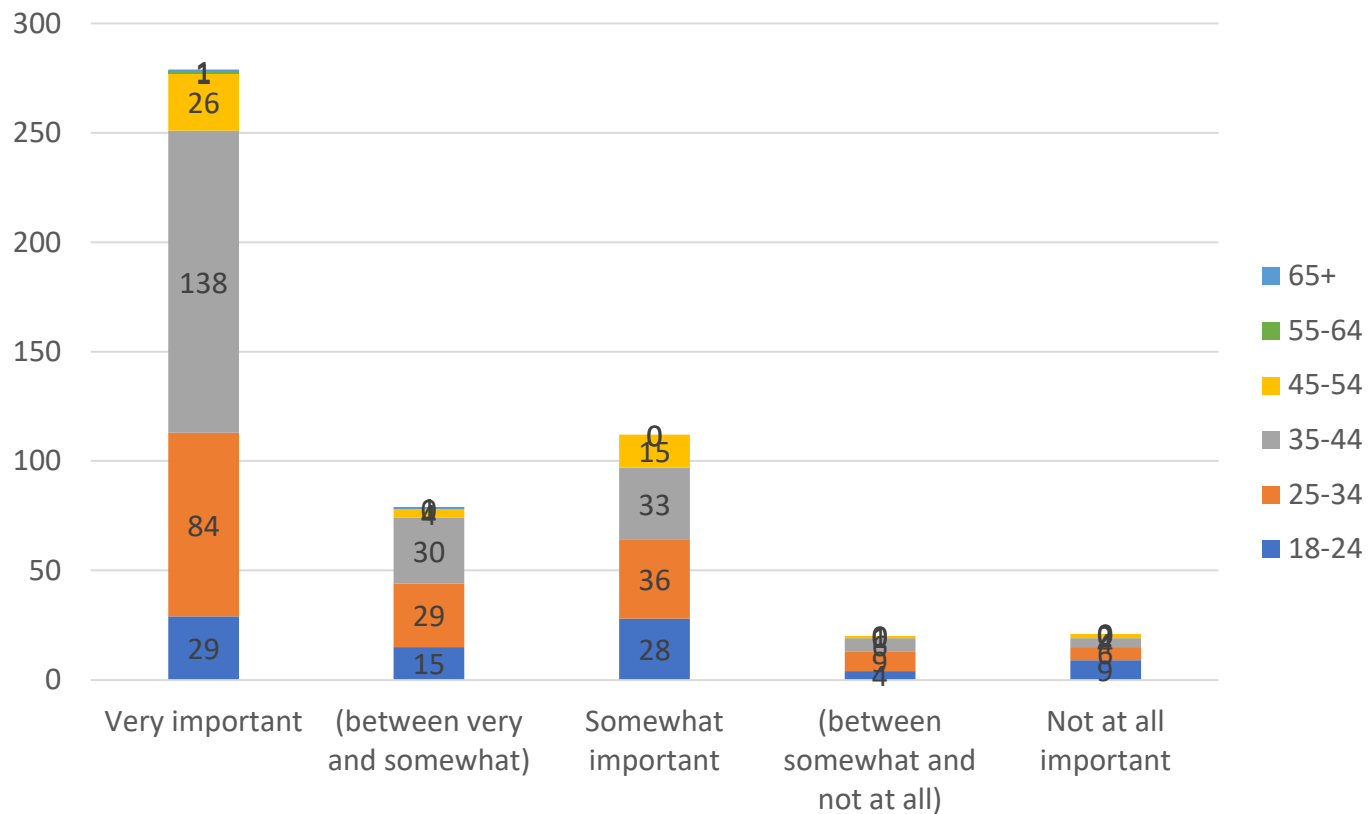
Would you prefer renting a newly-built detached single-family home with a yard, or an apartment? (BY AGE, n=511)



Survey of Renters

This question, asked of those who chose the single-family home option, confirms that having a yard is important to renters, and that having a yard is an important factor driving them to prefer a detached home. The yard is particularly important to people in the 35-44 age group, with 65.4% saying it was “very important.”

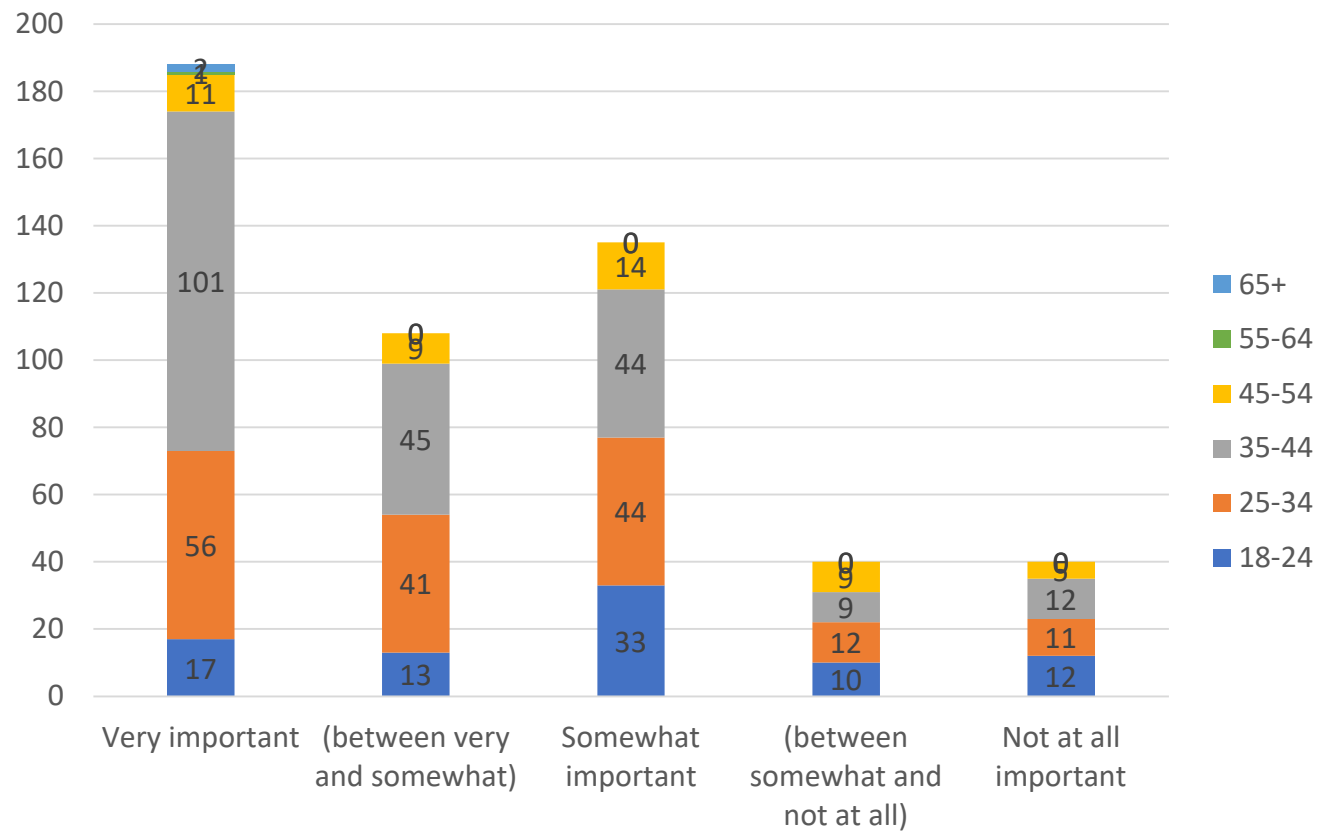
How important was having a yard to the response you selected?
(BY AGE, n=511)



Survey of Renters

This question, shows that a new home is important, particularly among people aged 35 to 44.

How valuable to you, on a scale of 1 to 5, is living in a newly-built home as opposed to an older one? (BY AGE, n=511)



To recapitulate some of the key findings of this study:

- There is not enough housing in general, relative to the need (estimates range from 4 million to 5.5 million short).
- There is an even more severe shortage of housing with prices or rents that are affordable to households who make less than \$60,000 per year.
- There is a serious under-supply of family rental housing, as established by Harvard and the Terwilliger Center for Housing.
- 82.8% of renter households would either definitely or probably choose a manufactured home, even if it is a few minutes farther away from town.
- A community of new manufactured homes will be able to serve the demand stemming from families and other household types who need a single-family detached home but who cannot afford a site-built home.



DISCLAIMER AND LIMITING CONDITIONS

General Limiting Conditions

Hunter Housing Economics has used reasonable efforts to ensure that the information contained in this report is reliable. The study is based upon estimates, assumptions, and other information developed in the course of this assignment, general knowledge of the industry, and discussions with the client and its representatives and consultants. No responsibility is assumed for inaccuracies in reporting or in data sources used in preparing presenting this study. This report is based on information that to our knowledge was reasonable to us at the time we compiled it, and we have not undertaken any update of the research since such date.

This report may contain prospective financial information, estimates, forecasts, or opinions that represent our view of reasonable expectations at a particular time, but they are not offered as predictions or assurances that a particular level of performance will be achieved, that particular events will occur, or that a particular price will be offered or accepted. Therefore, no warranty or representation is made by Hunter Housing Economics that the projected results in this study will be achieved.

Possession of this report does not carry with it the right of publication thereof or to use the name of Hunter Housing Economics in many manner without first obtaining the prior written consent of Hunter Housing Economics. No abstracting, excerpting, or summarization of this work may be made without first obtaining prior written consent from Hunter Housing Economics.

This report is not to be used in conjunction with any public or private offering of securities or similar purpose where it may be relied upon by any person other than the client without first obtaining the prior written consent of Hunter Housing Economics. This study may not be used for any purpose other than that for which it was prepared without prior written consent.

Our conclusions are based on our analysis of the information available as of the date of this report. We assume that the information is correct, complete, and reliable. We are in a fluid economic situation right now, and that defies prediction. It is critical to monitor the economy and markets continuously and to revisit the aforementioned conclusions periodically to ensure that they are reflective of changing market conditions.

With the above in mind, we assume that the long-term average absorption rates and price changes will be as projected, realizing that most of the time performance will be either above or below said rates.

Further, we recommend stress-testing the project and investment economics to ensure that potential fluctuations in revenue and cost assumptions resulting from alternative scenarios regarding the economic and real estate market conditions will not place the client outside of acceptable risk tolerances.



Hunter Housing Economics is a widely-followed resource for research in built-for-rent as well as for-sale residential development. For regular market updates, follow @bradleyhunter, and browse the resources at the company website.



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erccommunities.com

ERC COMMUNITIES 1, INC.

INVESTOR REVIEW

September 2025

7. KEY EXECUTIVES and ADVISORS

GERALD ELLENBURG – Chairman / CEO:

Gerald has a 50-year financial and real estate development history, commencing with his practice in the San Francisco Bay Area as a CPA, then evolving into the manufactured home community business wherein he built a chain of over 26,000 rental units in the 1980's and 1990's. He is a graduate of the University of California – Berkeley and is a U.S. Army veteran. Jerry's resume includes approximately \$600 million in institutional debt and \$300 million in equity funded and paid back over his career as a principal, including the manufactured home community business, mortgage brokerage, and homebuilding.

RYAN KOENIG – Vice-Chairman / CDO-COO:

Ryan is a seasoned construction and contracting executive with over \$600 million of construction completions on his resume as general contractor, owner's representative, and construction supervisor. As CDO he oversees all land acquisition, design, entitlement, and construction nationwide. He is the key visionary in ERC's manufactured home usage in build-for-rent.

RYAN ELLENBURG – Capital Markets Advisor:

Ryan oversees all Regulation A Plus public offering activities, including marketing, facilitator oversight, share pricing, and shareholder relations. Ryan also works closely with Advisory Board members and oversees a select number of the company's largest shareholders.

TRACY ROSENSTEEL – Investment Banking and Franchise Advisor:



650 E. Bloomingdale Ave.
Brandon, FL 33511

813.621.5000

erccommunities.com

Tracy is a seasoned Wall Street executive with over 20 years operating there in the investment management and technology sectors. Tracy has formed and operated her own companies, including one that appeared on the ABC series – Shark Tank. She has also produced television series that have appeared on PBS and on Amazon. Tracy works most directly with the Chairman and oversees all institutional equity and debt investments, and oversees a plethora of broker-dealer, family office, investment banking, and hedge fund relationships. Additionally, Tracy is overseeing the company’s franchise launch.

KEVIN HARRINGTON:

Kevin is the internationally renown Shark Tank television star, having appeared in that TV show’s initial 3 seasons. Kevin invented the international infomercial concept and is responsible for over \$6 billion in product sales due directly to his promotion and involvement. Kevin is an avid proponent of ERC’s affordable housing alternative and assists in promoting ERC to investors and to customers. His company, that he shares with his son, Brian Harrington, advises on media, press relations, franchise operations, and various other sectors of the business.

BRYAN LANGTON:

Bryan is the retired Chairman / CEO of Holiday Inns, Inc., and oversaw the Bass Ale acquisition of Holiday in 1989. Bryan oversaw the launch of Holiday Inns Express, Indigo Hotels, and shared in the management of the \$5 billion+ merger of Holiday Inns, Bass Ale, InterContinental Hotels, and InBev in 1996. He is a “CBE” – Commander of the Order of the British Empire – awarded to him by Queen Elizabeth at Buckingham Palace. Bryan is a key advisor / mentor to the company’s Chairman / CEO.

ERC Communities 1, Inc., a Delaware Corporation Subscription Package 1 of 2

Real Estate-Backed Convertible Promissory Note | Private Placement

September 2025|

ERC Communities 1 Inc. with an address of 650 East Bloomingdale Avenue, Brandon, FL 33511 (“the Issuer”) reserves the right to accept or reject any subscription for its collateralized real estate and improvements convertible promissory note and related documents (the “Interests”), in whole or in part, for any or no reason, and may require additional information prior to making a determination whether or not to accept such subscription.

Minimum Subscription:

\$10,000.00

Maximum Aggregate

Issuance:

\$70,000,000.00

ERC Communities 1 Inc.

Issuer

Instructions

Each prospective investor that desires to become a holder (a “Holder” or a “Holder”) of the Issuer (a “Issuer”) should do the following:

1. **Term Sheet.** Please review and acknowledge by signing the **Term Sheet Disclosures** on page 4 found in Exhibit 1.
2. **Investment Risks.** Please review and acknowledge by signing the **Investment Risks** on page 7 found in Exhibit 2.
3. **Convertible Note Purchase Agreement.** Please review and sign the Convertible Note Purchase Agreement on page 11 in Exhibit 3.
4. **Convertible Promissory Note.** Please review and sign the Convertible Promissory Note on page 16 found in Exhibit 4.

Instructions continued

5. **Collateral Agreement.** Please review and sign the Collateral Agreement on page 20 found in Exhibit 5.
6. **Investor Disclosure Memorandum.** Please review and acknowledge by signing the Investment Memorandum on page 25 found in Exhibit 6.

By completing these Documents to the Subscription Agreement, the Holder hereby makes and affirms all of the representations, warranties, agreements, and acknowledgments set forth in the Interests and these individual Subscription Documents.

Thank you.
ERC Communities 1 Inc.

1. TERM SHEET

ERC Communities 1, Inc., a Delaware Corporation

**Real Estate-Backed Convertible Promissory Note | Private
Placement**

Exhibit 1

TERM SHEET

ERC Communities 1, Inc., a Delaware Corporation

Real Estate-Backed Convertible Promissory Note | Private Placement

September 2025

THE SECURITIES DESCRIBED HEREIN HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES FEDERAL OR STATE SECURITIES LAW, OR ANY OTHER APPLICABLE JURISDICTION AND MAY NOT BE OFFERED FOR SALE, SOLD OR OTHERWISE TRANSFERRED ON THE BOOKS OF THE ISSUER, WITHOUT REGISTRATION OF SUCH SECURITIES UNDER ALL APPLICABLE SECURITIES LAW OR COMPLIANCE WITH APPLICABLE EXEMPTION THEREFROM. THERE ARE FURTHER RESTRICTIONS ON THE TRANSFERABILITY OF THE SECURITIES PURSUANT TO THE BYLAWS OF THE ISSUER REQUIRING CONSENT OF THE BOARD OF DIRECTORS IN THEIR SOLE AND ABSOLUTE DISCRETION AS DESCRIBED HEREIN.

THE PURCHASE OF THE SECURITIES DESCRIBED HEREIN INVOLVES A HIGH DEGREE OF RISK AND SHOULD BE CONSIDERED ONLY BY PERSONS WHO CAN BEAR THE RISK OF THE LOSS OF THEIR ENTIRE INVESTMENT AND BY ACCREDITED INVESTORS ONLY. PLEASE CONSULT YOUR LEGAL ACCOUNTANT AND INVESTMENT ADVISORS BEFORE YOU MAKE AN INVESTMENT.

GENERAL TERMS.

- Issuer: **ERC Communities 1, Inc.** a Delaware corporation (the “GS 1”)
- Maximum Issuance: \$70,000,000.00. Minimum Investment: \$10,000.00.

Interest Rate and Payment Terms

- **Interest Rate:** A minimum interest rate for the entire term of the Note of 14.95% per annum and fixed at that rate for Year 1. Thereafter, adjusted at the beginning of each following year and fixed for that year at the per annum rate which is the greater of 14.95% or 10.55% over the SOFR (Secured Overnight Financing Rate).
- **Payment Schedule:** First year prepaid and deducted from Note proceeds, then interest-only payments are due monthly commencing in Year 2.
- **Maturity Date:** The full principal amount shall be due and payable in full five (5) years from the issuance of this Note.
- **Prepayment:** Prepayable in any amount at any time prior to the Maturity Date without penalty and without the written consent of the Holder.
- **Conversion Option.** At any time on or after 12 months after the issue date and prior to payment in full of this Note, the Purchaser may, at its option, convert all or any portion of the then-outstanding Principal and accrued but unpaid Interest into fully paid and non-assessable shares of Common Stock of the Issuer (the “Conversion Shares”), at the Conversion Price determined below.
- **Conversion Price.** The “Conversion Price” means the price per share equal to the price per share determined by the Issuer, multiplied by the Discount Rate. The “Discount Rate” means 80% i.e. a 20%

discount to the offered share price in an SEC-qualified Regulation A Plus offering. If there is not an SEC-qualified Regulation A Plus offering at such time of Conversion, then 80% of the latest offered price in Issuer’s most recent SEC-qualified Regulation A Plus offering. Any Security Interest Purchaser may possess shall be reduced pro-rata by the amount of Conversion made under this provision.

Collateralized Obligation and Security

- Security is a combination of Real Estate and Leasehold Interests.
- GS 1 is permitted to “amend” secured debt amounts on select properties but cannot exceed \$70,000,000.00 amount.

COLLATERAL

ERC Zephyrhills, LLC - \$40,000,000.00

All inquiries please contact
Gerald Ellenburg, Chairman
GolfSuites 1, Inc.
jerry@golfsuites.com
(727) 243-2050

I acknowledge receipt of Term Sheet and have read and understand its terms and disclosures.

INDIVIDUAL PURCHASER

ENTITY PURCHASER

By: _____

By: _____

Name: _____

Name: _____

Date: _____

Date: _____

End of Term Sheet

2. INVESTMENT RISKS

ERC Communities 1, Inc., a Delaware Corporation

**Real Estate-Backed Convertible Promissory Note | Private
Placement**

+Exhibit 2

INVESTMENT RISKS

When investing in a private placement, or in a real estate collateralized promissory note several key risks are inherent to this type of investment. Before you invest, please seriously consider these inherent risks.

1. Illiquidity:

- Private placements are typically illiquid, meaning there is a limited ability to sell or easily trade the investment after purchase to a third party.
- Investors are generally required to hold the security for an agreed and extended period, as there is no readily available market for reselling.
- If Convertible Note election is made, the common share price may fluctuate in price value and there is no promise or representation of the common stock price value. There is a risk the common stock price may lose its entire value.

2. Limited Disclosure and Transparency:

- Private placements often involve less disclosure information than public offerings, as companies issuing them are not held to the same stringent reporting requirements.
- This can make it challenging for investors to fully assess the company's financial health, management practices, and overall business risks.

3. Fraud and Misrepresentation:

- Because private placements are not subject to the same level of regulatory review as public offerings, they can be a haven for fraud.
- Unscrupulous promoters may use misleading information or omit material facts to entice investors.

4. Higher Risk Profile:

- Companies engaging in private placements, particularly early-stage companies, may have a limited operating history and more modest revenue streams, making them inherently high-risk investments.
- Projections and forecasts should be viewed with caution, as they are often hypothetical and subject to change.
- While the lender's obligation to repay interest is secured by real estate and personal property, the lender may have to enforce their rights in court, which may delay payment of the Issuer's obligations.
- Issuer's may in the course of the loan term have an inability to pay interest due to economic circumstances both within and outside the Issuer's control.

5. Due Diligence Challenges:

- With limited information available, conducting thorough due diligence can be challenging.
- Investors need to be prepared to do their own due diligence to verify information provided in the investment documents.

6. Potential Loss of Control:

- Depending on the structure of the private placement, particularly with equity investments, investors may have a greater potential for loss of control if the placement results in significant ownership by investors rather than company founders.

In summary, private placements are high-risk investments with significant potential for loss. Investors should carefully consider these risks and conduct thorough due diligence before investing. It is often recommended to consult with a financial advisor and legal counsel to assess suitability and ensure alignment with their investment goals and risk tolerance.

I have received and read these risk disclosures.

INDIVIDUAL PURCHASER

By: _____

Name: _____

Date: _____

ENTITY PURCHASER

By: _____

Name: _____

Date: _____

3. CONVERTIBLE NOTE PURCHASE AGREEMENT

Real Estate-Backed Convertible Note Purchase Agreement | Florida Law | Private Placement

CONVERTIBLE NOTE PURCHASE AGREEMENT
(Real Estate-Backed Purchase Agreement | Florida Law | Private Placement)

This Convertible Note Purchase Agreement (this "**Agreement**") is entered into as of **[Date]**, by and between **Issuer ERC Communities 1, Inc.**, a Delaware corporation with a business address of 650 East Bloomingdale Avenue, Brandon, FL 33511 (the "**Issuer**"),

-and-

Purchaser: _____, residing or having an office at _____ (the "**Purchaser**").

1. ISSUANCE AND SALE OF NOTES

1.1 Issuance: The Issuer agrees to sell, and the Purchaser agrees to purchase, a real estate-backed commercial note (a "**Note**" or collectively, the "**Notes**") in the principal amount of **[\$Amount]** pursuant to the terms set forth herein.

1.2 Disbursement of Proceeds: If the Purchaser elects to use financing via [Name of Secured Lender] (defined below), disbursement of loan proceeds shall be made **directly to the Issuer**, in accordance with Section 3.1.

2. TERMS OF THE NOTES

- **Principal Amount:** **[\$Amount]**
- **Interest Rate:** A minimum interest rate for the entire term of the Note of 14.95% per annum and fixed at that rate for Year 1. Thereafter, adjusted at the beginning of each following year and fixed for that year at the per annum rate which is the greater of 14.95% or 10.55% over the SOFR (Secured Overnight Financing Rate).
- **Payment Frequency:** Year 1 interest prepaid and deducted from Note proceeds, then interest only monthly commencing in Year 2.
- **Maturity Date:** Five Years from Issuance Date
- **Form:** Fully registered
- **Prepayment:** Prepayable at any time before maturity without penalty, subject to Issuer approval.
- Interest shall accrue from the date hereof and be payable in arrears on the same day of each 360-day calendar year beginning [First Payment Date] until the Maturity Date.

3. OPTIONAL CONVERSION RIGHT

3.1 Conversion Option. At any time on or after 12 months after the issue date and prior to payment in full of this Note, the Purchaser may, at its option, convert all or any portion of the then-outstanding Principal and accrued but unpaid Interest into fully paid and non-assessable shares of Common Stock of the Issuer (the "Conversion Shares"), at the Conversion Price determined below.

3.2 Conversion Price. The "Conversion Price" means the price per share equal to the price per share determined by the Issuer, multiplied by the Discount Rate. The "Discount Rate"

means 80% i.e. a 20% discount to the offered share price in an SEC-qualified Regulation A Plus offering. If there is not an SEC-qualified Regulation A Plus offering at such time of Conversion, then 80% of the latest offered price in Issuer's most recent SEC-qualified Regulation A Plus offering. Any Security Interest Purchaser may possess shall be reduced pro-rata by the amount of Conversion made under this provision.

3.3 Fully Diluted Capitalization. "Fully Diluted Capitalization" means, immediately prior to the applicable conversion, the total number of shares of the Issuer's capital stock outstanding on an as-converted-to-common basis, assuming exercise of all outstanding options and warrants and conversion of all outstanding convertible securities, but excluding any shares reserved but unallocated under any equity incentive plan and any shares issuable under this Note and other notes of like tenor.

3.4 Mechanics of Conversion.

(a) **Notice.** To convert, the Purchaser will deliver to the Issuer a written notice of conversion stating the portion of Principal and Interest to be converted and the date of conversion (the "Conversion Date").

(b) **Issuance.** Within ten (10) Business Days after the Conversion Date, the Issuer will issue and deliver to the Issuer the Conversion Shares and, if applicable, cash in lieu of any fractional shares as provided below.

(c) **Fractional Shares.** No fractional shares will be issued upon conversion. In lieu of any fractional share otherwise issuable, the Issuer may pay cash equal to such fraction multiplied by the Conversion Price.

3.5 Adjustments. The Conversion Price and the number and kind of securities issuable upon conversion will be appropriately adjusted for stock splits, stock dividends, combinations, reclassifications, or similar recapitalizations affecting the Conversion Shares.

3.6 No Impairment. The Issuer will at all times reserve and keep available out of its authorized but unissued capital stock, solely for the purpose of issuance upon conversion of this Note, the number of shares of capital stock sufficient to effect the conversion of this Note, and will take all corporate actions necessary to issue such shares upon such conversion.

3.7 Taxes; Withholding. The Issuer will not be responsible for any taxes imposed on the Purchaser because of the issuance of the Conversion Shares, other than any transfer taxes payable in respect of the issuance in the Holder's name. The Issuer may deduct and withhold from any amounts payable or issuable hereunder such amounts as are required to be deducted or withheld under applicable law.

3.8 Status of Note; Partial Conversion. Upon any partial conversion of this Note, the outstanding Principal and accrued but unpaid Interest will be reduced by the portion converted, and the Issuer will deliver to the Purchaser an updated schedule or replacement Note to reflect the remaining balance.

4. Method of Payment

Payments shall be made in lawful money of the United States by wire transfer or ACH, unless otherwise directed in writing by the Holder.

5. Security for the Note

This Note is secured by the real estate and leasehold assets described in **Exhibit A** to the related Note Purchase Agreement. The terms of the security are governed by the Collateral Agreement executed contemporaneously herewith.

6. Events of Default

An "Event of Default" shall occur if:

- The Issuer fails to make any payment due under this Note within 10 days after written notice.
- The Issuer breaches any material covenant under this Note, the Note Purchase Agreement, or the Collateral Agreement.
- The Issuer becomes subject to bankruptcy or insolvency proceedings.

Upon an Event of Default, the Holder may declare the entire unpaid principal, interest, and all other amounts due under this Note to be immediately due and payable.

7. Waivers and Amendments

The Issuer waives presentment, demand, protest, and notice of dishonor. Any amendment must be in writing and signed by both the Issuer and the Holder.

8. Governing Law

This Note shall be governed by and construed in accordance with the laws of the **State of Florida**, without regard to its conflicts of law principles.

9. Entire Agreement: This Agreement, together with any exhibits or schedules, constitutes the entire agreement between the parties.

10. Notices: All notices must be delivered in writing to the addresses above or as updated in writing.

SIGNATURES

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

ERC Communities 1, Inc.

By: _____
Name: Gerald Ellenburg
Title: Chairman
Date: _____

Individual Name _____

By: _____

Name: _____

Date: _____

[ENTITY PURCHASER NAME]

By: _____

Name: _____ Date: _____

Authorized Signature

Exhibit A
Legal Description of Property

Property Address	Asset Type	Lien Position
ERC ZEPHYRHILLS, LLC PASCO COUNTY, FLORIDA Parcel # 01-26-21-0010- 11600-0000	Owned Land	1 st Lien
Parcel 01-26-21-0010- 11700-0000		
Parcel 01-26-21-0010- 12400-0000		
Parcel 01-26-21-0010- 10700-0000		

**AND ANY ADDITIONAL PROPERTIES BORROWER MAY ACQUIRE WHILE
WHILE THIS PROMISSORY NOTE IS IN EFFECT, SUBJECT TO CONSTRUCTION
AND MORTGAGE FINANCING.**

4. CONVERTIBLE PROMISSORY NOTE

Real Estate-Backed Convertible Promissory Note | Florida Law | Private Placement

CONVERTIBLE PROMISSORY NOTE
(Real Estate-Backed Note | Florida Law | Private Placement)

\$ _____
Date: _____

Issuer: ERC Communities 1, Inc., a Delaware corporation
Purchaser: _____

1. Promise to Pay

For value received, the undersigned, **ERC Communities 1, Inc.** a Delaware corporation (the “**Issuer**”), promises to pay to the order of _____ (the “**Holder**”) the principal sum of \$ _____, together with interest on the unpaid principal balance at the rate and terms set forth below.

2. Interest Rate and Payment Terms

- **Interest Rate:** A minimum interest rate for the entire term of the Note of 14.95% per annum and fixed at that rate for Year 1. Thereafter, adjusted at the beginning of each following year and fixed for that year at the per annum rate which is the greater of 14.95% or 10.55% over the SOFR (Secured Overnight Financing Rate).
- **Payment Schedule:** First year prepaid, deducted from Note proceeds, then interest-only payments are due monthly commencing in Year 2.
- **Maturity Date:** The full principal amount shall be due and payable in full five years from the issuance of this Note.
- **Prepayment:** Prepayable in any amount at any time prior to the Maturity Date without penalty and without the written consent of the Holder.

3. OPTIONAL CONVERSION RIGHT

3.1 Conversion Option. At any time on or after 12 months after the issue date and prior to payment in full of this Note, the Purchaser may, at its option, convert all or any portion of the then-outstanding Principal and accrued but unpaid Interest into fully paid and non-assessable shares of Common Stock of the Issuer (the “Conversion Shares”), at the Conversion Price determined below.

3.2 Conversion Price. The “Conversion Price” means the price per share equal to the price per share determined by the Issuer, multiplied by the Discount Rate. The “Discount Rate” means 80% i.e. a 20% discount to the offered share price in an SEC-qualified Regulation A Plus offering. If there is not an SEC-qualified Regulation A Plus offering at such time of Conversion, then 80% of the latest offered price in Issuer’s most recent SEC-qualified Regulation A Plus offering. Any Security Interest Purchaser may possess shall be reduced pro-rata by the amount of Conversion made under this provision.

3.3 Fully Diluted Capitalization. “Fully Diluted Capitalization” means, immediately prior to the applicable conversion, the total number of shares of the Issuer’s capital stock outstanding on an as-converted-to-common basis, assuming exercise of all outstanding options and warrants and conversion of all outstanding convertible securities, but excluding any shares reserved but unallocated under any equity incentive plan and any shares issuable under this Note and other notes of like tenor.

3.4 Mechanics of Conversion.

(a) **Notice.** To convert, the Purchaser will deliver to the Issuer a written notice of conversion stating the portion of Principal and Interest to be converted and the date of conversion (the “Conversion Date”).

(b) **Issuance.** Within ten (10) Business Days after the Conversion Date, the Issuer will issue and deliver to the Issuer the Conversion Shares and, if applicable, cash in lieu of any fractional shares as provided below.

(c) **Fractional Shares.** No fractional shares will be issued upon conversion. In lieu of any fractional share otherwise issuable, the Issuer may pay cash equal to such fraction multiplied by the Conversion Price.

3.5 **Adjustments.** The Conversion Price and the number and kind of securities issuable upon conversion will be appropriately adjusted for stock splits, stock dividends, combinations, reclassifications, or similar recapitalizations affecting the Conversion Shares.

3.6 **No Impairment.** The Issuer will at all times reserve and keep available out of its authorized but unissued capital stock, solely for the purpose of issuance upon conversion of this Note, the number of shares of capital stock sufficient to effect the conversion of this Note, and will take all corporate actions necessary to issue such shares upon such conversion.

3.7 **Taxes; Withholding.** The Issuer will not be responsible for any taxes imposed on the Purchaser because of the issuance of the Conversion Shares, other than any transfer taxes payable in respect of the issuance in the Holder’s name. The Issuer may deduct and withhold from any amounts payable or issuable hereunder such amounts as are required to be deducted or withheld under applicable law.

3.8 **Status of Note; Partial Conversion.** Upon any partial conversion of this Note, the outstanding Principal and accrued but unpaid Interest will be reduced by the portion converted, and the Issuer will deliver to the Purchaser an updated schedule or replacement Note to reflect the remaining balance.

2. Method of Payment.

Payments shall be made in lawful money of the United States by wire transfer or ACH, unless otherwise directed in writing by the Holder.

3. Security for the Note.

This Note is secured by the real estate and leasehold assets described in **Exhibit A** to the related Note Purchase Agreement. The terms of the security are governed by the Collateral Agreement executed contemporaneously herewith.

4. Events of Default

An "Event of Default" shall occur if:

- The Issuer fails to make any payment due under this Note within 10 days after written notice.
- The Issuer breaches any material covenant under this Note, the Note Purchase Agreement, or the Collateral Agreement.
- The Issuer becomes subject to bankruptcy or insolvency proceedings.

Upon an Event of Default, the Holder may declare the entire unpaid principal, interest, and all other amounts due under this Note to be immediately due and payable.

5. Waivers and Amendments

The Issuer waives presentment, demand, protest, and notice of dishonor. Any amendment must be in writing and signed by both the Issuer and the Holder.

6. Governing Law

This Note shall be governed by and construed in accordance with the laws of the **State of Florida**, without regard to its conflicts of law principles.

Executed as of the date first written above:

ISSUER:

ERC Communities 1, Inc.

By: _____

Name: Gerald Ellenburg

Title: Chairman

Date: _____

HOLDER:

By: _____

Name: _____

Date: _____

ENTITY PURCHASER NAME:

By: _____

Name: _____

Authorized Signature

Date: _____

Exhibit A
Legal Description of Property

Property Address	Asset Type	Lien Position
ERC ZEPHYRHILLS, LLC PASCO COUNTY, FLORIDA Parcel # 01-26-21-0010- 11600-0000	Owned Land	1 st Lien
Parcel 01-26-21-0010- 11700-0000		
Parcel 01-26-21-0010- 12400-0000		
Parcel 01-26-21-0010- 10700-0000		

**AND ANY ADDITIONAL PROPERTIES BORROWER MAY ACQUIRE WHILE THIS
PROMISSORY NOTE IS IN EFFECT, SUBJECT TO CONSTRUCTION AND
MORTGAGE FINANCING.**

5. COLLATERAL AGREEMENT

Real Estate-Backed Collateral Agreement | Florida Law | Private Placement

COLLATERAL AGREEMENT
Real Estate-Backed Collateral Agreement | Florida Law | Private Placement

This **Collateral Agreement ("Agreement")** is entered into as of _____,
_____, by and
between:

Issuer: ERC Communities 1, Inc., a Delaware corporation with its principal place of business at
650 East Bloomingdale Avenue, Brandon, FL 33511 (the "**Debtor**" or "**Issuer**"),

-and-

Purchaser: _____, with an address
at _____ (the "**Secured Party**" or
"**Purchaser**").

1. Grant of Security Interest

As security for the prompt and complete payment and performance of all obligations under the Promissory Note dated _____ in the principal amount of \$ _____ (the "**Note**"), the Issuer hereby grants to the Purchaser **first and subordinate-priority security interests** in the real property and leasehold interests described in **Exhibit A** (the "**Collateral**").

1. Grant of Security Interest

As security for the prompt and complete payment and performance of all obligations under the Promissory Note dated _____ in the principal amount of \$ _____ (the "**Note**"), the Issuer hereby grants to the Purchaser **first and subordinate-priority security interests** in the real property and leasehold interests described in **Exhibit A** (the "**Collateral**").

2. Perfection of Security Interest

2.1 Recordation of Lien: The Debtor shall execute and deliver all documents necessary to perfect the lien. This may include:

- A duly prepared and executed **UCC-1 Financing Statement**, and
- Any ancillary title endorsements or lien subordinations.

2.2 Filing: Purchaser is authorized to file such financing statements or lien documents without the Issuer's signature to the extent permitted by law.

3. Representations and Warranties of Debtor

The Debtor represents and warrants that:

- It owns the Collateral free and clear of any liens, except as disclosed in **Exhibit A**.
- It has the authority to grant the security interest herein.
- The Collateral is not subject to any adverse claims or restrictions other than as stated.

4. Covenants of the Debtor

The Debtor agrees to:

- **Maintain** the Collateral in good condition and insured against loss.
- **Not sell, lease, or otherwise dispose** of the Collateral without the prior written consent of the Purchaser.
- **Pay all taxes** and assessments on the Collateral when due.
- **Provide access** to records and documentation related to the Collateral upon reasonable request.

5. Default and Remedies

Upon the occurrence of any Event of Default under the Note:

- The Secured Party may **foreclose** on the Collateral pursuant to Florida law.
- The Secured Party may take possession of and sell the Collateral at public or private sale.
- The Issuer shall remain liable for any deficiency remaining after sale.

6. Release of Collateral

The security interest shall be automatically released upon full payment of the Note. Upon such release, the Purchaser shall file or authorize the release of all lien filings and deliver any necessary release documents to the Debtor.

7. Miscellaneous

- **Governing Law:** This Agreement shall be governed by the laws of the State of Florida.
- **Amendments:** Any amendment must be in writing and signed by both parties.
- **Entire Agreement:** This Agreement and the Note constitute the entire agreement regarding the Collateral.
- **Conversion.** Should Secured Party elect to convert any part or all of the Collateral to common stock of the Debtor, then the Collateral will be released pro-rata based on the percentage and timing of Collateral converted.

SIGNATURES

ISSUER (Debtor):

ERC Communities 1, Inc.

By: _____

Name: Gerald Ellenburg

Title: Chairman

Date: _____

PURCHASER (Secured Party):

By: _____

Name: _____

Date: _____

ENTITY PURCHASER NAME

By: _____

Name: _____ Authorized Signature

Date: _____

[

Exhibit A
Legal Description of Property

Property Address	Asset Type	Lien Position
ERC ZEPHYRHILLS, LLC PASCO COUNTY, FLORIDA Parcel # 01-26-21-0010- 11600-0000	Owned Land	1 st Lien
Parcel 01-26-21-0010- 11700-0000		
Parcel 01-26-21-0010- 12400-0000		
Parcel 01-26-21-0010- 10700-0000		

**AND ANY ADDITIONAL PROPERTIES BORROWER MAY ACQUIRE
WHILE THIS PROMISSORY NOTE IS IN EFFECT, SUBJECT TO CONSTRUCTION
AND MORTGAGE FINANCING.**

6. INVESTOR DISCLOSURE MEMORANDUM

Private Placement of Real Estate-Backed Convertible Notes

INVESTOR DISCLOSURE MEMORANDUM
Private Placement of Real Estate-Backed Convertible Notes

Issuer: ERC Communities 1, Inc. a Delaware Corporation

Offering Type: Rule 506(b) Private Offering

Offering Size: Up to \$70,000,000.00.

Minimum Investment: \$10,000.00.

Note Term: 5 years

Transaction Summary

Interest Rate: A minimum interest rate for the entire term of the Note of 14.95% per annum and fixed at that rate for Year 1. Thereafter, adjusted at the beginning of each following year and fixed for that year at the per annum rate which is the greater of 14.95% or 10.55% over the SOFR (Secured Overnight Financing Rate).

Conversion Option. At any time on or after 12 months after the issue date and prior to payment in full of this Note, the Purchaser may, at its option, convert all or any portion of the then-outstanding Principal and accrued but unpaid Interest into fully paid and non-assessable shares of Common Stock of the Issuer (the “Conversion Shares”), at the Conversion Price determined below.

Conversion Price. The “Conversion Price” means the price per share equal to the price per share determined by the Issuer, multiplied by the Discount Rate. The “Discount Rate” means 80% i.e. a 20% discount to the offered share price in an SEC-qualified Regulation A Plus offering. If there is not an SEC-qualified Regulation A Plus offering at such time of Conversion, then 80% of the latest offered price in Issuer’s most recent SEC-qualified Regulation A Plus offering. Any Security Interest Purchaser may possess shall be reduced pro-rata by the amount of Conversion made under this provision.

Security: Commercial real estate and leasehold interests.

1. Executive Summary

This memorandum (the “**Memo**”) is being furnished solely to accredited investors in connection with a proposed offering (the “**Offering**”) of secured convertible promissory notes (the “**Notes**”) by ERC Communities 1, Inc., a Delaware corporation (the “**Issuer**”).

The Notes are real estate and leasehold-backed debt instruments with fixed interest and a defined maturity. Proceeds will be used for real estate acquisition, development, operational, debt reduction, and associated costs.

2. Issuer Overview

ERC Communities 1, Inc., is a Delaware Corporation engaged in the business of real estate development and rental operations. Its focus is on developing, building, and operating income-producing multi-residential properties using large, brand new manufactured homes.

3. Note Terms

Term	Description
Interest Rate	A minimum interest rate for the entire term of the Note of 14.95% per annum and fixed at that rate for Year 1. Thereafter, adjusted at the beginning of each following year and fixed for that year at the per annum rate which is the greater of 14.95% or 10.55% over the SOFR (Secured Overnight Financing Rate).
Payment Frequency	First year prepaid and deducted from Note Proceeds, then monthly interest only commencing in Year 2 of the Note.
Maturity Date	5 years from issuance.
Collateral	Specified real estate and leasehold assets.
Form	Convertible and Non-transferable.
Prepayment	Prepayable at Issuer's option in any amount and without penalty during Note term.

4. Use of Proceeds

Category	Estimated Allocation
Real Estate Acquisition	10.0%
Capital Improvements	63.55%
Legal, Appraisal, Closing	6.0%
Reserve & Servicing Buffer	1.5%
General Working Capital	1.5%
Debt reduction	3.5%
Prepaid interest	14.95%

5. Investor Suitability Requirements

Participation is limited to “**accredited investors**” as defined under Rule 501 of Regulation D of the Securities Act of 1933.

Each investor will be required to submit a **Investor and Subscription Agreement**, and verify accreditation status (relying on Rule 506(b)).

6. Risk Factors

Investors should carefully consider the following risks:

- **Illiquidity:** There is no public market for the Notes.
- **Default Risk:** The Issuer may fail to make scheduled payments.
- **Collateral Risk:** Real estate values may decline, impairing recovery.
- **Regulatory Risk:** Changes in lending or securities laws could impact the Offering.
- **Reliance on Third Parties:** Appraisers may not perform as expected.
- **Enforcement Risk:** Foreclosure and recovery may be delayed or costly.
- **Concentration Risk:** Real estate collateral may not be diversified.
- **Conversion Risk:** The value of the common stock at conversion may fluctuate and there is no guarantee of its value.

7. Legal and Tax Considerations

Investors are urged to consult their own legal and tax advisors. This Offering has **not been registered** with the SEC or any state securities authority and is made pursuant to an exemption under Rule 506 of Regulation D.

8. No Guarantee

No guarantee or representation is made as to the return of capital or profits. The Notes are speculative in nature and subject to total loss of investment.

9. Additional Documentation

Each investor will receive the following documents:

- **Convertible Note Purchase Agreement**
- **Convertible Promissory Note**
- **Collateral Agreement**
- **Exhibit – Real Estate Collateral Description**

10. Contact Information

For further information or to request offering documents, please contact:

Issuer: **ERC Communities 1, Inc.**

Name: **Gerald Ellenburg**

Title: Chairman

Email: jerry@golfsuites.com

Phone: 727.243.2050

ERC Communities 1, Inc., a Delaware Corporation Subscription Package 2 of 2

Real Estate-Backed Convertible Promissory Note | Private Placement |

September 2025

ERC Communities 1 Inc. with an address of 650 East Bloomingdale Avenue, Brandon, FL 33511 (“the Issuer”) reserves the right to accept or reject any subscription for its collateralized real estate and improvements convertible promissory note and related documents (the “Interests”), in whole or in part, for any or no reason, and may require additional information prior to making a determination whether or not to accept such subscription.

Minimum Subscription:

\$10,000.00

Maximum Aggregate

Issuance: \$70,000,000.00

ERC Communities 1, INC.

Issuer

Instructions

Each prospective investor that desires to become a holder (a “Holder” or a “Holder”) of the Issuer (a “Issuer”) should do the following:

1. Complete the **Holder’s Accreditation Questionnaire** found on Exhibit 1.
2. Complete and sign one copy of the **Holder’s Information** on Exhibit 2.
3. Complete and sign one copy of the **Holder’s Interests to be Registered** on Exhibit 3.
4. Complete and sign one copy of the **Holder’s Standing Instructions** on Exhibit 4.
5. Complete and sign one copy of the **Holder’s Issuance Agreement** on Exhibit 5.
6. Complete and sign one copy of the **Holder’s Execution Agreement** on Exhibit 6.
7. Complete and sign one copy of the **Electronic Delivery of Reports and Other Communications** on Exhibit 7.

8. Provide Documents Required for **Anti-Money Laundering Regulations** on Exhibit 8.
9. Complete and sign one copy of **Form W9** on Exhibit 9 (separate document).

By completing these Documents to the Subscription Agreement, the Holder hereby makes and affirms all of the representations, warranties, agreements, and acknowledgements set forth in the Interests and these individual Subscription Documents.

Thank you.
ERC Communities 1 Inc.

Exhibit 1

ACCREDITED INVESTOR QUESTIONNAIRE

Please initial in the appropriate spaces below, as applicable. Capitalized terms not defined herein shall have the meanings given to them in the Issuer Agreement.

Investor is an “accredited investor” within the meaning of Rule 501(a) of Regulation D under the Securities Act of 1933, as amended (the “Securities Act”), and comes within the following category or categories under Rule 501(a):

____ (a) a natural person whose individual net worth, or joint net worth with his or her spouse, at the time of purchase of Interests, exceeds US\$1,000,000 (See *Note 1* below);

____ (b) a natural person who had an individual income in excess of US\$200,000 in each of the two most recent years or joint income with his or her spouse in excess of US\$300,000 in each of those years and who has a reasonable expectation of reaching the same income level in the current year;

____ (c) an executive officer or director of the Issuer ;

____ (d) an entity in which all of the equity owners are accredited investors;

____ (e) an entity, of a type not listed in paragraphs (d) or (h) – (u), not formed for the specific purpose of acquiring the Interests, owning investments in excess of \$5,000,000;

____ (f) a natural person holding in good standing one or more professional certifications or designations or credentials from an accredited educational institution that the Securities and Exchange Commission (“SEC”) has designated as qualifying an individual for accredited investor status (See *Note 2* below);

____ (g) a natural person who is a “knowledgeable employee,” as defined in rule 3c-5(a)(4) under the Investment Issuer Act of 1940, as amended (the “1940 Act”), of the issuer of the securities being offered or sold where the issuer would be an investment Issuer , as defined in section 3 of the 1940 Act, but for the exclusion provided by either section 3(c)(1) or section 3(c)(7) of such act;

____ (h) a bank, as defined in Section 3(a)(2) of the Securities Act, acting in its individual or fiduciary capacity;

____ (i) a savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Securities Act, acting in its individual or fiduciary capacity;

____ (j) a broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”);

____ (k) an investment adviser registered pursuant to Section 203 of the 1940 Act or registered pursuant to the laws of a state;

_____ (l) an investment adviser relying on the exemption from registering with the SEC under section 203(l) or (m) of the 1940 Act;

_____ (m) an insurance Issuer , as defined in Section 2(13) of the Securities Act;

_____ (n) an investment Issuer registered under the 1940 Act, or a business development Issuer as defined in Section 2(a)(48) of the 1940 Act;

_____ (o) a small business investment Issuer licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the U.S. Small Business Investment Act of 1958, as amended;

_____ (p) a Rural Business Investment Issuer as defined in section 384A of the Consolidated Farm and Rural Development Act;

_____ (q) a plan which has total assets in excess of US\$5,000,000 and which is established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions for the benefit of its employees;

_____ (r) an employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of ERISA, which is either a bank, savings and loan association, insurance Issuer , or registered investment adviser, or if the employee benefit plan has total assets in excess of US\$5,000,000 or, if a self- directed plan, with investment decisions made solely by persons that are accredited investors;

_____ (s) a private business development Issuer as defined in Section 202(a)(22) of the Investment Advisers Act of 1940, as amended;

_____ (t) a corporation, a Massachusetts or similar business trust, a partnership, or an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”), which has total assets in excess of US\$5,000,000 and which was not formed for the specific purpose of acquiring Interests;

_____ (u) a trust with total assets in excess of US\$5,000,000 which was not formed for the specific purpose of acquiring Interests and whose purchase of Interests was directed by a person who has such knowledge and experience in financial and business matters that he is capable of evaluating the merits and risks of the investment;

_____ (v) a “family office,” as defined in rule 202(a)(11)(G)-1 under the 1940 Act, (i) with assets under management in excess of \$5,000,000; (ii) that is not formed for the specific purpose of acquiring the Interests offered, and (iii) whose prospective investment is directed by a person who has such knowledge and experience in financial and business matters that such family office is capable of evaluating the merits and risks of the prospective investment; or

_____ (w) a “family client,” as defined in rule 202(a)(11)(G)-1 under the 1940 Act, of a family office meeting the requirements in paragraph (v) above and whose prospective investment in the issuer is directed by such family office pursuant to paragraph (v)(iii).

- Note 1.** For purposes of calculating net worth under paragraph (a):
- (A) The person's primary residence shall not be included as an asset;
 - (B) Indebtedness that is secured by the person's primary residence, up to the estimated fair market value of the primary residence at the time of the sale of securities, shall not be included as a liability (except that, if the amount of such indebtedness outstanding at the time of sale of securities exceeds the amount outstanding sixty (60) days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability); and
 - (C) Indebtedness that is secured by the person's primary residence in excess of the estimated fair market value of the primary residence at the time of the sale of securities shall be included as a liability.
- Note 2.** In determining whether to designate a professional certification or designation or credential from an accredited educational institution for purposes of paragraph (f), the SEC will consider, among others, the following attributes:
- (A) The certification, designation, or credential arises out of an examination or series of examinations administered by a self-regulatory organization or other industry body or is issued by an accredited educational institution;
 - (B) The examination or series of examinations is designed to reliably and validly demonstrate an individual's comprehension and sophistication in the areas of securities and investing;
 - (C) Persons obtaining such certification, designation, or credential can reasonably be expected to have sufficient knowledge and experience in financial and business matters to evaluate the merits and risks of a prospective investment; and
 - (D) An indication that an individual holds the certification, or designation is either made publicly available by the relevant self-regulatory organization or other industry body or is otherwise independently verifiable.

Exhibit 2

HOLDER INFORMATION.

(Please enter all information exactly as you wish it to appear on the Issuer 's records.) Note: *Holder Name should include only the exact legal name of the legal owner of the Interests. Any account or other reference information should be included in the box relating to correspondence below.*

Name of Holder: _____

Jurisdiction of Organization (*For Entities*): _____

Date of Formation / Birth: _____

Taxpayer ID Number / Social Security Number: _____

Holder's Occupation (*For Individuals*): _____

Address of Principal Office / Home Address: _____

(Street)

(City) (State) (Zip Code)

Telephone

Number: _____

Facsimile

Number: _____

E-mail address: _____

Note: All correspondence related to your investment will be delivered by e-mail, unless otherwise instructed in writing.

Mailing Address (if different from Principal / Home Address): _____

(Street)

(City) (State) (Zip Code)

Holder's Contact Person (*For Entities*): _____

Contact Person's Telephone Number (*For Entities*): _____

Additional Recipient(s) for Duplicate Reporting (*attach separate page if necessary*):

RECIPIENT

RECIPIENT 2

1

Name / Contact Person: _____

Address: _____
Telephone Number: _____
E-mail address: _____

Additional Information for IRAs and Benefit Plan Investors (*attach separate page if necessary*):

Name of Custodian: _____
Address: _____
Contact Person: _____
Telephone Number: _____
E-mail address: _____

Solicitation Information. The Holder heard about the Issuer through a:

- Relationship with a Selling Agent (*i.e.*, broker/dealer) that existed prior to the contact regarding an investment in the Issuer
- Relationship with the Issuer that existed prior to the contact regarding an investment in the Issuer
- Seminar (specify seminar sponsor): _____
- Other (please be as specific as possible): _____

Exhibit 3

HOLDER’S INTERESTS TO BE REGISTERED AS FOLLOWS

(Please check one as appropriate either as an Individual or Entity)

For Individuals:

Individual Ownership
(One signature required below)

Tenants in Common
(All tenants must sign below)

Joint Tenants with Rights of Survivorship
(All tenants must sign below)
Individual Retirement Account

For Entities:

Employee Benefit Plan
(including 401(k))
Government Plan

Charitable Institution

Revocable Trust

Non-Revocable Trust

Limited Partnership or Limited Liability Issuer
Non-Profit Corporation
Corporation

Other (please specify):

Exhibit 4

HOLDER’S STANDING INSTRUCTIONS.

(a) Authorized Signatories. (For Entities)

The Holder, if an entity, represents that the following is a complete list of the individuals who are authorized to act on behalf of, and bind, the Holder (each such individual, an “Authorized Signatory”) in connection with any and all communications and transactions between the Issuer and the Holder. The Holder acknowledges that the Issuer and the Issuer and each of their affiliates may rely on instructions received from, and representations made by, each Authorized Signatory. The following list may be amended by written notice, signed by an Authorized Signatory, and delivered to the Issuer, at the address provided herein. Please attach separate pages, as necessary.

Name	Specimen Signature
_____	_____
_____	_____
_____	_____

Note: *In addition to providing specimen signatures as requested above, the Holder is required to furnish additional written evidence acceptable to the Issuer (which may take the form of an incumbency certificate, written resolutions, a power of attorney or other similar proof) of each Authorized Signatory’s authority to act on behalf of, and bind, the Holder.*

(b) Holder’s Standing Wire Instructions.

The Holder agrees that all or any funds payable to the Holder may be transferred to the Holder in accordance with the following instructions. This information may be provided under separate cover.

Bank
Name: _____
Bank
Address: _____
ABA, SWIFT or CHIPS No.: _____

Account
Name: _____
Account
No.: _____
For Further Credit: _____

Referenc
e: Name of Contact at _____
Bank: Telephone
Number: _____

If the bank identified immediately above is not located in the U.S. or another FATF Country¹, or if the Holder's subscription payment will be made by electronic transfer from an account other than the account detailed above, please contact the Issuer for any additional information that may be required from the Holder. The wire instructions provided above may be amended by written notice, signed by the Holder (or an Authorized Signatory), and delivered to the Issuer at the address provided herein. No third-party payments *are permitted*.

(c) **Disclosure Authorization.**

By executing the Execution Pages, the Holder authorizes the disclosure of information regarding the Holder's account to the Issuer, the Issuer, their affiliates, their representatives, and their legal counsel as well as to any governmental authority, self-regulatory organization, regulator, or to any other person or entity required by law, regulation, or any legal or administrative procedure.

1. SUITABILITY.

An investment in the Issuer may not be suitable for any person for which such investment would represent more than 10% of such person's readily marketable assets. The Holder acknowledges and confirms that its investment in the Issuer constitutes less than 10% of the Holder's readily marketable assets: (Please check one)

Yes No

If the Holder has checked "No" above, the Holder hereby represents and warrants that the percentage of the Holder's readily marketable assets in the Issuer is equal to the following percentage:

____%

2. PURCHASE INFORMATION.

Please indicate, in U.S. dollars, the amount you would like to purchase in the Issuer :
\$ _____

- **Minimum Investment:** The minimum initial investment in the Issuer is \$10,000. The minimum additional subscription amount is \$10,000.

3. INTERNAL REVENUE CODE CERTIFICATIONS.

Under penalties of perjury, by signature below, the Holder hereby certifies that (initial each, as applicable):

___ (a) The number submitted on the Holder's relevant U.S. federal income tax form with this Subscription Agreement is the Holder's correct U.S. taxpayer identification number / social security number / foreign tax identifying number / U.S. global intermediary identification number (or a number is being issued to the Holder), as applicable;

___ (i) The Holder is not subject to backup withholding because (A) the Holder is exempt from backup withholding, (B) the Holder has not been notified by the IRS that it is subject to backup withholding as a result of a failure to report all interest or dividends; or (C) the IRS has notified the Holder

that it is no longer subject to backup withholding.

¹ A “FATF Country” is a Holder country of the Financial Action Task Force on Money Laundering. As of February 24, 2023, a “FATF Country” means any of the following: Argentina, Australia, Austria, Belgium, Brazil, Canada, China, Denmark, Finland, France, Germany, Greece, Hong Kong, Iceland, India, Ireland, Israel, Italy, Japan, Republic of Korea, Luxembourg, Malaysia, Mexico, Netherlands, New Zealand, Norway, Portugal, Saudi Arabia, Singapore, South Africa, Spain, Sweden, Switzerland, Turkey, United Kingdom, and United States. For a current list of FATF Countries see <http://www.fatf-gafi.org>. Note: Russia’s Holdership in FATF was suspended as of February 24, 2023.

— (ii) The Holder is a United States person as defined in Section 7701(a)(30) of the Code; or

— (iii) The Holder is *not* a United States person.

— (b) The Holder agrees to notify the Issuer within thirty (30) days of (i) any change in its United States person status (see Section 8(a), above), (ii) a change of address to an address in the United States, or (iii) any other change in circumstances that makes any of the information referred to in this

HOLDER'S ISSUANCE AGREEMENT

ERC COMMUNITIES 1 INC.
650 East Bloomingdale Avenue
Brandon, FL 33511

Dear Ladies and Gentlemen:

1. Subscription for Interests. The undersigned, and if the undersigned is an entity, the person or entity (the "Signatory") executing this Subscription Agreement and Investment Documents on behalf of the undersigned (the Signatory and the undersigned collectively referred to herein as the "Holder," unless the context otherwise requires), hereby irrevocably subscribes, in the amount set forth on the Execution Pages hereof, for the Interests in the Issuer as selected by the Holder on the Execution Pages.

2. Eligibility. As an inducement to the Issuer to accept this Subscription Agreement, the Holder hereby represents and warrants to the Issuer and the Issuer as follows:

(a) The Holder, if an entity, is duly authorized and qualified to execute the Investment Documents, and the Signatory has been duly authorized by the Holder to deliver these Subscription Documents on behalf of the Holder.

(b) The Holder, if a natural person, is at least 21 years of age and is legally competent to complete the Execution Pages.

(c) The Holder is acquiring the Interests for which the Holder has hereby subscribed for the Holder's own account, as principal, for investment purposes only and not with a view to or for the resale or distribution thereof, in whole or in part.

If the Holder is subscribing as a trustee, agent, representative or nominee or otherwise as an intermediary for a beneficial owner of the Interests, the representations and warranties set forth herein must be made in respect of the person(s) for which the Holder is acting in such capacity.

(d) The Holder, either individually or together with the Holder's financial advisors in this transaction, has (i) such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the Issuer and (ii) obtained, in the Holder's judgment, sufficient information from the Issuer to evaluate the merits and risks of such investment.

(e) Unless otherwise noted in the Execution Pages, the Holder acknowledges and confirms that its investment in the Issuer constitutes less than ten percent (10%) of the aggregate readily marketable assets of (A) the Holder or (B) each and every beneficial

owner of the Holder;

- (f) The Holder has completed the **Accredited Investor Questionnaire** on Exhibit 1
- (g) The Holder is a “United States person”² for U.S. federal income tax purposes.
- (h) The Holder has all governmental, regulatory, and administrative registrations and approvals required for the Holder to invest in the Issuer .

² As per Section 7701(a)(30) of the Code and the regulations promulgated thereunder, “United States person” means: (i) a citizen

3. ***Representations, Warranties, and Acknowledgements.*** As an inducement to the Issuer to accept this Subscription Agreement, the Holder hereby represents and warrants to the Issuer and the Issuer as follows:

(a) The Holder understands that no government agency, securities or commodity exchange, or self-regulatory body of any country has reviewed the Investment Documents, or the offering of the Interests or made any finding or determination as to the fairness of the business terms of an investment in the Issuer. The Holder acknowledges that the Interests subscribed for hereunder have not been, and will not be, registered under the Securities Act of 1933, as amended (the “Securities Act”), or any other law of the United States or any state or any other jurisdiction thereof.

(b) The Holder agrees to, and understands, the terms and conditions upon which the Interests with respect to the Issuer are being offered, including, without limitation, the investment strategy, the use of leverage, the risk factors, the conflicts of interests, and the restrictions on transfers and withdrawals referred to in the Investment Documents.

(c) The Holder may not sell or otherwise transfer any part of the Holder’s Interests without the consent of the Issuer and in compliance with applicable U.S. federal and state securities laws and fully understands and agrees that the Holder must bear the economic risk of the Holder’s investment for an indefinite period of time.

(d) The Holder:

(i) has furnished a copy of the Investment Documents, has carefully read and understands the terms thereof, has evaluated the risks of a purchase of the Interests, and has relied solely on the information contained in the foregoing documents in deciding whether to invest in the Issuer (irrespective of any other materials or information furnished to the Holder or discussions had with the Issuer or its affiliates in connection with such investment);

(ii) has been afforded the opportunity to ask questions of, and receive answers from, the Issuer to the extent that the Holder has deemed necessary or advisable in order to verify the accuracy of the information set forth in the Investment Documents;

(iii) has determined that (A) the Interests are a suitable investment for the Holder and that the Holder has the financial ability to bear the economic risk of the Holder’s investment in the Issuer (including the possible complete loss of the Holder’s investment), has adequate means of providing for the Holder’s current needs, financial contingencies, and cash flow requirements and has no need for liquidity with respect to an investment in the Interests, and (B) an investment in the Interests is consistent with the Holder’s investment purposes and objectives, as well as the Holder’s need for diversification and liquidity in the Holder’s overall portfolio;

or resident of the United States, (ii) a U.S. partnership, (iii) a U.S. corporation, (iv) any estate (other than a non-United States estate, within the meaning of Section 7701(a)(31) of the Code), (v) any trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons have the authority to control all substantial decisions of the trust, or (vi) any trust which has elected to be taxed as a trust described in (v).

(iv) understands that none of the Issuer or the Issuer or any of their respective affiliates guarantee the success of an investment in the Issuer or that substantial or total losses will not be incurred on such investment;

(e) In making its decision to purchase the Interests, the Holder has relied solely upon independent investigations made by the Holder or by its professional advisers. The Holder is not relying on the Issuer or the Issuer or any of their respective affiliates with respect to any legal, tax, or other economic considerations relating to the Holder's investment decision and, further, understands that the only disclosures for which the Issuer or the Issuer or any of their respective affiliates accepts responsibility are those set forth in the Investment Documents.

(f) The Holder is advised to seek independent counsel in making its determination of whether to invest in the Issuer and in the review and submission of these Investment and Subscription Documents.

(g) The Holder understands that the Interests are a speculative investment and that the Holder may lose all or substantially all of the Holder's investment in the Interests.

(h) The Holder acknowledges and consents to the Issuer being required to devote only such time and attention to the conduct of the business and affairs of the Issuer as the Issuer determined to be necessary or advisable.

(i) The Holder acknowledges and agrees that the obligations of the Issuer are solely the corporate obligations of the Issuer and that the Holder shall not have any recourse against the Issuer or its affiliates for any claims, losses, damages, liabilities, indemnities, or other obligations whatsoever in connection with any transactions contemplated hereunder.

(j) The Holder covenants that it will (i) provide any form, certification or other information reasonably requested by and acceptable to the Issuer for the Issuer to (A) prevent withholding or qualify for a reduced rate of withholding or backup withholding in any jurisdiction from or through which the Issuer receives payments or (B) satisfy reporting or other obligations under the Internal Revenue Code of 1986, as amended (the "Code"), and the Treasury Regulations thereunder, (ii) update or replace such form or certification in accordance with its terms or subsequent amendments, and (iii) otherwise comply with any reporting obligations imposed by the United States or any other jurisdiction, including reporting obligations that may be imposed by future legislation.

(k) The Holder agrees that the foregoing representations and warranties, and all other information regarding the Holder set forth herein, may be used as a defense in any actions relating to the Issuer, the Issuer, or the offering of Interests and that it is only on the basis of such representations, warranties, and other information that the Issuer may be willing to accept the Holder's subscription for Interests with respect to the Issuer.

THE ISSUER IS A SPECULATIVE INVESTMENT THAT INVOLVES RISK, INCLUDING THE RISK OF LOSING ALL OR SUBSTANTIALLY ALL OF THE AMOUNT INVESTED.

THE HOLDER HAS READ CAREFULLY AND UNDERSTANDS THE ISSUER AGREEMENT AND THE INVESTMENT DOCUMENTS AND HAS RELIED ON THE HOLDER'S OWN ADVISERS WITH RESPECT TO THE HOLDER'S INVESTMENT IN AN INTEREST AND THE SUITABILITY OF SUCH AN INVESTMENT FOR THE HOLDER. THE HOLDER HAS NOT RELIED ON THE ISSUER, THE ISSUER , OR ANY OF THEIR RESPECTIVE AFFILIATES FOR FINANCIAL, TAX OR LEGAL ADVICE.

4. ***Indemnity.*** The Holder agrees to indemnify and hold harmless the Issuer and the Issuer or any of their respective affiliates against any and all loss, liability, claim, damage, and expense whatsoever (including, but not limited to, any and all reasonable attorneys' fees and other expenses whatsoever reasonably incurred in investigating, preparing, or defending against any litigation or any claim whatsoever commenced or threatened) arising out of or based upon any false, inaccurate, or incomplete representation or warranty, misinformation, or breach or failure by the Holder herein or hereunder or under any other document furnished or delivered by the Holder to any of the foregoing in connection with the Holder's investment in the Issuer or resulting from any unsuccessful proceeding or other action brought by the Holder against any of the foregoing relating to the Issuer or the offering of the Interests.

5. ***Receipt of Subscription Funds.*** Subscription funds which are not paid when due (as set forth in the Subscription Instructions hereto) may be subject to rejection and/or to being assessed for all related losses, costs, and interest. Interest actually earned on subscription funds from the time of receipt is considered a general asset of the Issuer .

6. ***Documentation.*** If the Holder is an entity, the Issuer may request certain documentation prior to accepting its subscription. Upon request:

(a) an entity may be required to provide evidence that the person(s) executing this Subscription Agreement on behalf of the Holder has been duly authorized by the Holder to execute and deliver this Subscription Agreement on behalf of the Holder, *e.g.*, resolutions of its board of directors and specimen signatures;

(b) a corporation may be required to deliver one copy of its articles of incorporation and by-laws, and a copy of any document authorizing or governing its investment policies, *e.g.*, resolutions of its board of directors;

(c) a partnership or limited liability Issuer may be required to deliver one copy of its partnership agreement, operating agreement, or other governing agreement; and

(d) a trust may be required to deliver one copy of its declaration of trust or other governing instrument and any document authorizing or governing its investment policies.

7. **Miscellaneous.** The following provisions are applicable even if the Issuer does not accept this Subscription Agreement and the Holder does not become a Holder.

(a) **Severability.** In the event that any provision of the Investment Documents or the Subscription Agreement is held to be invalid or unenforceable in any jurisdiction, such provision shall be deemed modified to the minimum extent necessary so that such provision, as so modified, shall no longer be held to be invalid or unenforceable. Any such modification, invalidity, or unenforceability shall be strictly limited both to such provision and to such jurisdiction, and, in each case, to no other. Furthermore, in the event of any such modification, invalidity, or unenforceability, this Subscription Agreement shall be interpreted so as to achieve the intent expressed herein to the greatest extent possible in the jurisdiction in question and otherwise as set forth herein.

(b) Counterparts.

(i) The Execution Pages may be executed in one or more counterparts, each of which shall, however, together constitute the same document. Electronic file transfer shall have the same binding force and effect as original copies.

(ii) The Holder agrees that the Issuer is authorized to accept, and the Issuer is authorized to execute the Execution Pages of the Subscription Agreement, as well as any instructions given by the Holder in original signed form or by electronic file transfer. The Holder further agrees that the Issuer and the Issuer or any of their respective affiliates are entitled to rely conclusively on and shall incur no liability in respect of any action taken on the basis of any notice, consent, request, instruction or other instrument believed in good faith to be genuine or to be signed by properly authorized persons.

(c) **Entire Agreement.** This Subscription Agreement, the Issuer Agreement, the Investment Documents, and the other material contracts of the Issuer (as described in the Investment Documents) contain the entire agreement and understanding of the parties hereto relating to the subject matter hereof and supersede any prior agreements and understandings of the parties relating to such subject matter.

(d) No Waiver.

(i) No failure or delay on the part of the Issuer or the Issuer or any of their respective affiliates in exercising any right, power, or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power, or remedy preclude any other or further exercise thereof or the exercise of any other right, power, or remedy. Failure on the part of the Issuer or the Issuer or any of their respective affiliates to complain of any act of the Holder or to declare the Holder in default with respect to the Issuer or the Issuer or any of their respective affiliates, irrespective of how long that failure continues, shall not

constitute a waiver by the Issuer or the Issuer or any of their respective affiliates of its rights with respect to that default until the applicable statute-of-limitations period has run.

(ii) Any waiver granted hereunder must be in writing and shall be valid only in the specific instance in which given.

(e) **Material Contracts.** The Holder has carefully read and understands the material contracts of the Issuer (as described in the Investment Documents but, for the avoidance of doubt, includes the Issuer Agreement) and hereby agrees and consents to the terms and provisions contained therein.

(f) **Confidentiality.** The Holder agrees that the Holder will not distribute any information regarding the Issuer or the Issuer other than to its professional advisers without the express written approval of the Issuer and that such Holder's investment in the Issuer, including all information concerning the Issuer and the Issuer, must be maintained on a strictly confidential basis.

(g) **Third-Party Beneficiary.** The Issuer or the Issuer or any of their respective affiliates shall be entitled to enforce their rights hereunder as if they were a signatory hereto.

8. **Notices.** All notices or other communications that the Issuer or the Holder may desire or be required to give hereunder shall be in writing and shall be deemed to have been duly given if (a) personally delivered (with receipt thereof acknowledged in writing), (b) sent by electronic file transfer, (c) if mailed by pre-paid certified mail, return receipt requested or (d) sent by reputable overnight courier (receipt confirmed). All notices or other communications shall:

(a) be sent to the Issuer at the address set forth in the Investment Documents, to the Holder at the address notified to Issuer by such Holder from time to time; and

(b) be deemed to have been validly given on the date of receipt, if delivered personally, sent by electronic file transfer, sent by a reputable courier service or if posted.

Any notice required hereunder need not be prior notice unless expressly so specified. Any notice period specified herein shall end on the close of business on the day that is the prescribed number of days following the first day of the relevant period, unless that day is not a business day, in which case, as of the next succeeding business day.

9. **Delivery of Information by Electronic File Transfer and/or Website Posting.** The Issuer must deliver to investors in the Issuer certain notices and information required by regulatory authorities of jurisdictions to which the Issuer is subject. In order to promote cost savings and to ensure the timely availability of such information, the Issuer may deliver this information either by electronic file transfer or by posting it on the Issuer's

“Holders-only” website unless the Holder declines to receive electronic notifications pursuant to Schedule E hereto. Although the Issuer does not impose any additional charges for this electronic file transfer or website posting, the Holder may, of course, incur costs associated with the Holder’s electronic access, such as usage charges from internet access providers. Holders who consent to receive these notices and information by way of electronic file transfer and/or website viewing may revoke their consent at any time by written notice to the Issuer requesting that the Issuer send the information and notices in hard copy by postal mail. **Unless the Holder otherwise indicates in writing to the Issuer, the Holder consents to delivery of the above-referenced information by electronic file transfer and/or website posting.**

Binding Agreement

In order to make an investment for real estate secured loan agreement (the “Interests”) in the Issuer, each Holder must complete, execute, and deliver the Investment Documents and this Subscription package and any related documents to the Issuer by email to jerry@golfsuites.com no later August 31, 2026 (such time may be extended by the Issuer) (the “Issuance Date”).

The Issuer will notify the Holder of the acceptance or rejection of Holder’s subscription as soon as reasonably practicable. If a subscription is rejected, in whole or in part, any monies received will be returned to the Holder (without interest).

Funding

Unless otherwise agreed in advance with the Issuer, cleared funds in respect of the subscription monies are payable in full, in immediately available funds, and must be received by the Issuer prior to the relevant Subscription Date. Subscription funds must be paid in U.S. dollars, unless the Issuer otherwise agrees, by wire transfer to the account identified on the following page:

Bank:	
Address:	
SWIFT Code:	
Fedwire ABA #:	
CHIPS ABA #:	
Account Name:	
Account #:	
By order of:	

The Issuer recommends that Holders pay any wire transfer fees or other charges imposed by a Holder's bank on wire transfers in addition to the subscription amount so that the full amount to be drawn down is received by the Issuer .

Exhibit 6

HOLDER’S EXECUTION

By signing below, the Holder represents that: (a) if an individual, the Holder is at least 21 years old and legally competent; (b) if an entity, (i) the Holder has been duly formed, is validly existing, and is in good standing under the laws of the jurisdiction of its formation with full power and authority to enter into the transactions contemplated by the Investment Documents and the Subscription Agreement, including the purchase of Interests, (ii) based upon a review of the Holder’s constitutional documents and/or based on consultation with counsel or advisers, the Holder is authorized to invest in the Issuer , and (iii) the Signatory has been authorized by the Holder to execute and deliver the Execution Pages on behalf of the Holder; (c) the Execution Pages have been duly and validly authorized, executed and delivered by the Holder; and (d) the Execution Pages, submitted by or on behalf of the Holder pursuant to a power of attorney, constitutes the valid, binding, and enforceable agreement of the Holder.

THE IRS DOES NOT REQUIRE THE HOLDER’S CONSENT TO ANY PROVISION OF THIS DOCUMENT OTHER THAN THE CERTIFICATIONS REQUIRED TO AVOID BACKUP WITHHOLDING.

INDIVIDUAL HOLDER(S)

ENTITY HOLDER

(Printed Name of Holder)

(Printed Name of Holder)

(Signature of Holder)

By: _____

(Printed Name of Joint Holder, if any)

Name: _____

(Signature of Joint Holder, if any)

Title: _____

Dated _____, ____

Dated _____, ____

Completed Execution Pages in this document should be sent to the Issuer by email to jerry@golfsuites.com. General questions regarding an investment in the Issuer may also be addressed to the Issuer by email to jerry@golfsuites.com. A Holder who delivers the Execution Pages and any related documents by email can inquire with the Issuer to confirm receipt of the documentation. Original Execution Pages and any related documents should be sent by overnight mail to the Issuer at 650 East Bloomingdale Avenue, Brandon, FL 33511.

Holders should retain a copy of the Investment Documents and Subscription Agreement for their records. Issuer will countersign the Note Purchase Agreement, Promissory Note and Collateral Agreement and forward a fully executed copy of these documents.

**ELECTRONIC DELIVERY OF REPORTS
AND OTHER COMMUNICATIONS**

The Issuer or the Issuer may provide the Holder (or its designated agents) (i) statements, reports, and all other communications relating to (A) the Issuer and (B) the Holder's investment in the Issuer, including capital account information, subscription activity, annual and other updates of the Issuer's consumer privacy policies and procedures and (ii) all communications relating to the Issuer (including the ADV Part 2, privacy policy and any other communication required under the Investment Advisers Act of 1940, as amended or otherwise) (collectively, "Issuer Information"), in electronic form, such as through a file attached to an e-mail sent to the e-mail address provided by the Holder, or over a private internet site, in lieu of or in addition to sending such Issuer Information as hard copies by facsimile or mail. If the Issuer Information is made available over the internet, the Holder may be notified of its availability through an e-mail sent to the e-mail address provided by the Holder. E-mail messages are not secure and may contain computer viruses or other defects, may not be accurately replicated on other systems, or may be intercepted, deleted, or interfered with without the knowledge of the sender or the intended recipient.

The Issuer and the Issuer make no warranties in relation to these matters. The Issuer and/or the Issuer reserves the right to intercept, monitor, and retain e-mail messages to and from its systems as permitted by applicable law. If a Holder has any doubts about the authenticity of an e-mail purportedly sent by the Issuer and/or the Issuer, the Holder is required to contact the purported sender immediately. The General Partner's acceptance of the Holder's subscription is not conditioned on consent to electronic delivery of Issuer Information.

The Holder agrees that it will be solely responsible for notifying the Issuer in writing of any change in its e-mail address and that the Issuer may not seek to verify or confirm the Holder's e-mail address as provided. If the Holder does not have access to the internet or e-mail, the Holder should not consent to electronic delivery of Issuer Information.

The Holder may revoke its consent to electronic delivery of Issuer Information at any time upon written notice to the Issuer and receive all Issuer Information in paper format. The Holder may also request delivery of a paper copy of any Issuer Information by contacting the Issuer.

Please check the appropriate box:

- The Holder agrees to receive Issuer Information in electronic form, at the General Partner's discretion, in lieu of a separate mailing of paper copies until such time as it no longer has the right to receive Issuer Information or it revokes its consent in writing.

- The Holder declines to receive Issuer Information in electronic form in lieu of or in addition to separate mailing of paper copies.

Exhibit 8

**DOCUMENTS REQUIRED FOR
ANTI-MONEY LAUNDERING REGULATIONS**

Investor Type	KYC Required
Individual or Joint Applicant	<ul style="list-style-type: none"> • Valid Driver’s License, Passport or National Identity Card • Utility Bill, Bank Statement, Valid Driver’s License, or similar dated within the last 12 months • *If Joint Account, documentation is required for each Joint Account holder • *If IRA - AML Letter from IRA Custodian may also be acceptable
Private Issuer	<ul style="list-style-type: none"> • Certificate of Incorporation • Investment Documents & Articles of Association • Register of Directors • Register of Shareholders • Directors (any 2) Valid Driver’s License, Passport or National Identity Card (If not an individual, identification documentation will be required as per the legal entity type) • Directors (any 2) Utility Bill, Bank Statement, Valid Driver’s License, or similar dated within the last 12 months (If not an individual, identification documentation will be required as per the legal entity type) • Individual Beneficial Owners holding greater than 10% - Valid Driver’s License, Passport or National Identity Card (If not an individual, identification documentation will be required as per the legal entity type) • Individual Beneficial Owners holding greater than 10% - Utility Bill, Bank Statement, Valid Driver’s License, or similar dates within the last 12 months (If not an individual,

<p>Partnership</p>	<ul style="list-style-type: none"> • Certificate of Partnership • Limited Partnership Agreement • Details of all partners (name, residential address, and date of birth) • General Partner - Valid Driver's License, Passport or National Identity Card (If not an individual, identification documentation will be required as per the legal entity type) • General Partner - Utility Bill, Bank Statement, Valid Driver's License, or similar dated within the last 12 months (If not an individual, identification documentation will be required as per the legal entity type) • Individual partners holding greater than 10% (If none, at least 2 partners) - Valid Driver's License, Passport or National Identity Card (If not an individual, identification documentation will be required as per the legal entity type) • Individual partners holding greater than 10% (If none, at least 2 partners) - Utility Bill, Bank Statement, Valid Driver's License, or similar dated within the last 12 months (If not an individual, identification documentation will be required as per the legal entity type)
<p>Limited Liability Issuer</p>	<ul style="list-style-type: none"> • Certificate of Formation • Operating Agreement • Details of all Issuers (name, residential address, and date of birth) • Issuer - Valid Driver's License, Passport or National Identity Card (If not an individual, identification documentation will be required as per the legal entity type) • Issuer - Utility Bill, Bank Statement, Valid Driver's License, or similar dates within the last 12 months (If not an individual, identification documentation will be required as per the legal entity type) • Identity of any Holders holding greater than 10% (If none, at least 2 partners) – Valid Driver's License, Passport or National Identity Card (If not an individual, identification documentation will be required as per the legal entity type) • Identity of any Holders holding greater than 10% (If none, at least 2 partners) - Utility Bill, Bank Statement, Valid Driver's License, or similar dated within the last 12 months (If not an individual, identification documentation will be required as per the legal entity type)

	documentation will be required as per the legal entity type)
Private Trust	<ul style="list-style-type: none">• Trust Deed• Details of all Trustees (name, residential address, and date of birth)

	<ul style="list-style-type: none">• Trustees (at least 2, if multiple) - Valid Driver's License, Passport or National Identity Card (If not an individual, identification documentation will be required as per the legal entity type)• Trustees (at least 2, if multiple) - Utility Bill, Bank Statement, Valid Driver's License, or similar dated within the last 12 months (If not an individual, identification documentation will be required as per the legal entity type)• Grantor - Valid Driver's License, Passport or National Identity Card (If not an individual, identification documentation will be required as per the legal entity type)• Grantor - Utility Bill, Bank Statement, Valid Driver's License, or similar dated within the last 12 months (If not an individual, identification documentation will be required as per the legal entity type)• Beneficiaries holding 10% or more - Valid Driver's License, Passport or National Identity Card (If not an individual, identification documentation will be required as per the legal entity type)• Beneficiaries holding 10% or more - Utility Bill, Bank Statement, Valid Driver's License, or similar dates within the last 12 months (If not an individual, identification documentation will be required as per the legal entity type).
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Exhibit 9

W9
(attached as separate document)

End of Subscription Agreement

