

Summary Risk Factors

Investing in our common stock involves a high degree of risk. If we are unable to effectively manage the impact of these risks, we may not meet our investment objectives, and therefore, you should purchase these securities only if you can afford a complete loss of your investment. See the section entitled “Risk Factors” in this prospectus for a discussion of the risks which should be considered in connection with your investment in our common stock. Some of the more significant risks relating to this offering and an investment in our shares include:

Some of the risk factors associated with an investment in the REIT include, without limitation:

- (1) We are a “blind pool” offering and do not own nor have we identified any properties or other real estate-related investments for our portfolio;
- (2) We have no operating history or established financing sources;
- (3) No public market exists for our shares, which are illiquid, nor may a public market ever exist;
- (4) Our investments in properties will be in the healthcare sector. The healthcare industry is heavily regulated, and new laws or regulations, changes to existing laws or regulations, loss of licensure or failure to obtain licensure could result in the inability of tenants to make lease payments to us;
- (5) There are substantial conflicts among the interests of our investors, our interests and the interests of our advisor, our sponsor and dealer manager and their respective affiliates regarding compensation, investment opportunities and management resources;
- (6) Our charter permits us to maintain a high level of leverage. If we incur substantial debt, it may hinder our ability to pay distributions to stockholders or could decrease the value of a stockholder’s investment if income on, or the value of, property securing the debt falls;
- (7) We may be unable to pay or maintain cash distributions or increase distributions over time. Until we have sufficient cash flow, we may use proceeds from this offering, borrow funds or sell assets to fund distributions. Such distributions could reduce the cash available to us and could constitute a return of capital to shareholders. Any of these distributions may reduce the amount of capital we invest in properties and negatively impact the value of your investment;
- (8) We may fail to qualify or continue to qualify as a REIT for tax purposes;
- (9) Our share repurchase program is subject to numerous restrictions, may be cancelled at any time and should not be relied upon as a means of liquidity;
- (10) Our investment objectives and strategy may be changed without shareholder consent;
- (11) The management of multiple REITs by our executive officers and officers of our advisor may significantly reduce the amount of time spent on activities related to us and cause other conflicts of interest, which may cause operating results to suffer;
- (12) We will compete for investors with other programs of our sponsor.