

Subscription amount \$ \_\_\_\_\_ Via: ☐ Check ☐ Wire State of Sale: \_\_\_\_\_Share Class (check one): ☐ A Shares ☐ R Shares Other: \_\_\_\_\_

The investment minimum is generally \$50,000 for A Shares and R Shares. A Shares are purchased through traditional transaction-based broker relationships; R Shares are generally for non-transaction or fee-based programs or through Registered Investment Advisers or RIAs. I Shares are only available to employees and persons associated with PREP Property Group and certain institutional investors. See the Confidential Private Placement Memorandum (PPM) and ask your investment professional which type of share is available to you. Money Orders, Traveler's Checks, Starter Checks, Foreign Checks, Counter Checks, Third-Party Checks or Cash cannot be accepted. State of Sale usually corresponds with the investor's residence or, for an entity, principal place of business.

**Account Type (check one):**

<input type="checkbox"/> Individual	<input type="checkbox"/> IRA (Traditional)
<input type="checkbox"/> Joint Tenants (JTWROS)	<input type="checkbox"/> IRA (Roth)
<input type="checkbox"/> Tenants in Common	<input type="checkbox"/> IRA (SEP)
<input type="checkbox"/> Community Property	<input type="checkbox"/> Partnership
<input type="checkbox"/> Trust (Revocable)	<input type="checkbox"/> Corporation or LLC reporting as:
<input type="checkbox"/> Trust	<input type="checkbox"/> C Corp <input type="checkbox"/> S Corp <input type="checkbox"/> Partnership

Other Registration Type (explain): \_\_\_\_\_

A separate Transfer on Death (TOD) form is available should you wish to use that feature. IRA beneficiaries should be identified through your IRA custodian. *For trusts, partnerships, corporations, etc., please provide additional documentation such as trust documents, corporate resolutions, or partnership agreements to show who has current investment authority and the scope of that authority.*

**Account Information**

Investor 1 Name (or entity): \_\_\_\_\_

Investor 1 SSN/Tax ID: \_\_\_\_\_ DOB: \_\_\_\_\_ Citizenship: \_\_\_\_\_

Investor 2 Name (or trustee): \_\_\_\_\_

Investor 2 SSN/Tax ID: \_\_\_\_\_ DOB: \_\_\_\_\_ Citizenship: \_\_\_\_\_

Account Street Address: \_\_\_\_\_

Mailing Address (if different): \_\_\_\_\_

Daytime Phone: \_\_\_\_\_ Evening Phone: \_\_\_\_\_

Email address (required): \_\_\_\_\_

Electronic Delivery Notice. PREP Net Lease Income Fund III operates primarily on electronic delivery of documents. In lieu of receiving documents by mail, you authorize PREP Net Lease Income Fund III to make available on a website its quarterly reports, annual reports, meeting notices and proxy materials, PPM supplements or other reports, as well as any investment or marketing updates, and to notify you via the above email address when such reports or updates are available.

The fund is open to U.S. citizens and certain other U.S. persons, e.g., legal resident aliens. Non-resident aliens must supply IRS Form W-8BEN.

### **Accredited Investor Status (Please check all that apply).**

This offering is only available to Accredited Investors. By signing this agreement, the undersigned hereby confirms that the Investor is an “accredited investor” as such term is defined under Regulation D promulgated under the Securities Act of 1933, as amended (the “Securities Act”), pursuant to the following representations:

#### **For Individual or Joint Investors: (Please check all that apply)**

- \_\_\_ The \$1,000,000 exclusive of my residence test. I have an individual net worth, or joint net worth with my spouse, in excess of \$1,000,000, where, for purposes of calculating net worth: (i) my primary residence is not included as an asset; (ii) indebtedness that is secured by my primary residence, up to the estimated fair market value of my primary residence at the time of the sale of shares, is not included as a liability (except that if the amount of such indebtedness outstanding at the time of the sale of shares 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 is to be included as a liability); and (iii) indebtedness that is secured by my primary residence in excess of the estimated fair market value of my primary residence at the time of the sale of shares is included as a liability.
- \_\_\_ The \$200,000 / \$300,000 test. I had an individual gross income (excluding any income of my spouse) exceeding \$200,000 in each of the last two calendar years OR, for each of such years, my combined income with my spouse exceeded \$300,000, and I reasonably expect to reach the same income level in the current year.
- \_\_\_ The registered person test. I hold an active securities registration associated with the Series 7, Series 65 or Series 82 securities qualification examinations administered by FINRA.

#### **For IRA and other Qualified Plans: (Please check all that apply)**

- \_\_\_ The subscriber is an “individual retirement account” (“IRA”) under Section 408(a) of the Internal Revenue Code of 1986, as amended, owned by and for the benefit of an “accredited investor” or a self-directed plan (e.g. 401(k) plan or profit sharing plan) in which all investment decisions are made solely by, and such investments are made on behalf of, “accredited investors.”
- \_\_\_ The subscriber is an “employee benefit plan” within the meaning of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”) with either (1) total assets in excess of \$5,000,000, or (2) its investment decisions made by a plan fiduciary, as defined in Section 3(21) of ERISA, which is either a bank, savings and loan association, insurance company or registered investment advisor or, if a self-directed plan, with investment decisions made solely by persons that are “accredited investors.”

#### **For Trust Investors: (Please check all that apply)**

- \_\_\_ The subscribing Trust is a presently a revocable trust, and the grantor of the Trust is an “accredited investor.”
- \_\_\_ The \$5 million or bank trustee test. The subscribing Trust is an irrevocable trust and (i) the trustee is a bank as defined in Section 3(a)(2) of the Securities Act or (ii) has total assets in excess of \$5,000,000, was not formed for the specific purpose of acquiring the shares of common stock of PREP Net Lease Income Fund III, and is directed by a “sophisticated person” as described in Rule 506(b)(2)(ii) under the Securities Act.

#### **For Corporate, Partnership, LLC or Other Entity/Organization Investors: (Please check all that apply)**

- \_\_\_ The \$5 million test. The subscribing entity is an organization described in section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or a corporation, a Massachusetts or similar business trust, or a partnership, that has total assets in excess of \$5,000,000 and was not formed for the specific purpose of investing in the shares.
- \_\_\_ The Family Office test. The subscriber is (A) a family office, as defined in rule 202(a)(11)(G)–1 of the Investment Advisers Act, with assets under management in excess of \$5,000,000, that is not formed for the specific purpose of acquiring shares, and 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 shares, or (B) a family client, as defined in rule 202(a)(11)(G)–1 of the Investment Advisers Act, of a family office meeting the requirements described in the preceding clause (A) and whose purchase is directed by such family office.
- \_\_\_ All of the equity owners of the subscribing entity are “accredited investors.” (Please provide individual certifications or other evidence from all equity owners)

#### **Other**

If the subscriber meets another test for being an accredited investor under Rule 501(a) of Regulation D (17 CFR § 230.501), please identify the precise section of Rule 501(a) and provide additional details for us to confirm the subscriber’s accredited investor status.

## Benefit Plan Status (All Investors must check one box)

\_\_\_\_ The undersigned represents that the shares are being purchased by or on behalf of (1) an employee benefit plan as defined in Section 3(3) of ERISA, whether or not it is subject to Title I of ERISA, (2) a plan described in Code Section 4975 (**including but not limited to an IRA or Keogh plan**), or (3) an entity whose underlying assets include "plan assets" as defined in Department of Labor ("DOL") Regulation Section 2510.3-101 (the "Plan Asset Rules") by reason of a plan's investment in such entity (including but not limited to an insurance company general account) (all such investors, "Benefit Plan Investors"). Additionally, all or part of the assets to be used to purchase the shares constitute assets of one or more Benefit Plan Investors; or

\_\_\_\_ The undersigned represents that the shares are not being purchased by or on behalf of Benefit Plan Investors.

## Custodian Information

(if applicable)

Custodian Name: \_\_\_\_\_

Custodian Address: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Custodian Tax ID Number: \_\_\_\_\_

Investor's Account number with Custodian / Administrator: \_\_\_\_\_

*By executing this Subscription Agreement, the Custodian/Administrator certifies to the Company that the shares purchased pursuant to this Subscription Agreement are held for the benefit of the investor named in this Subscription Agreement (the "Beneficial Owner"). The Custodian/Administrator agrees to notify the Company promptly, but in any event within thirty (30) days of any change in the names of the Beneficial Owner or the number of shares for which the Custodian/Administrator holds shares. The Custodian/Administrator confirms that the Company is entitled to rely on these representations for purposes of determining the stockholders entitled to notice of or to vote at each annual or special meeting of stockholders of the Company until delivery by the Custodian/Administrator to the Company of a written statement revoking such representations (provided, however, that any such revocation delivered after the record date or the closing of the stock transfer books of the Company in respect of any annual or special meeting of stockholders, but on or prior to the date of such annual or special meeting of stockholders shall not be effective until after the holding of such annual or special meeting of stockholders of the Company). Each Beneficial Owner (and not the Custodian/Administrator) will then be deemed the holder of record for the shares of common stock for purposes of determining the stockholders holding common stock entitled to notice of or to vote at each annual or special meeting of stockholders.*

## Distribution Choices

Custodial accounts:

\_\_\_\_ Participate in Dividend Reinvestment Plan (DRIP) (See PPM)

\_\_\_\_ Send distributions to custodian via wire/check (default) (custodian to provide instructions)

Non-Custodial Accounts:

\_\_\_\_ Participate in Dividend Reinvestment Program (DRIP) (See PPM)

\_\_\_\_ Send distributions via ACH Direct Deposit (Please attach a voided unsigned check or deposit slip)

Financial Institution Name: \_\_\_\_\_ Checking \_\_\_\_ Savings \_\_\_\_

ABA Routing Number: \_\_\_\_\_ Account number: \_\_\_\_\_

\_\_\_\_ Send distributions via check to investor's mailing address (default)

\_\_\_\_ Send distributions via check to alternate payee listed below:

Payee Name: \_\_\_\_\_ Account No. (if applicable): \_\_\_\_\_

Address: \_\_\_\_\_

If Direct Deposit is selected: I authorize PREP Net Lease Income Fund III, or its agent (collectively, "NLIF III") to deposit my distributions in the checking or savings account identified above. This authority will remain in force until I notify NLIF III in writing to cancel it. In the event that NLIF III deposits funds erroneously into my account, NLIF III is authorized to debit my account for an amount not to exceed the amount of the erroneous deposit.

## Investor / Subscriber Acknowledgements

**Please carefully read each of the representations below.** Except in the case of fiduciary accounts, you may not grant any person a power of attorney to make such representations on your behalf.

***In order to induce PREP Net Lease Income Fund III to accept this subscription, all subscribers hereby represent and warrant as follows:***

- (a) The undersigned is aware that an investment in the shares involves a high degree of risk of loss of the undersigned's entire investment, and the undersigned understands and takes full cognizance of the risk factors related to the purchase of the shares, including, but not limited to, those set forth in the PPM.
- (b) The undersigned is aware that the shares are restricted securities, and may not be transferred or resold except as permitted under the Securities Act and applicable state securities laws, pursuant to registration or exemption therefrom; no public market for the shares exists and none is expected to develop; it may not be possible for the undersigned to liquidate the undersigned's investment in the shares; and neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved the shares or passed upon the accuracy or adequacy of the PPM
- (c) The undersigned has received and carefully read and understands the PPM, this Subscription Agreement, and all other documents in connection therewith, and the undersigned confirms that all documents, records and books pertaining to the investment in the company through the shares have been made available to the undersigned and/or to the undersigned's purchaser representative or other personal investment, tax and legal advisers, if such advisers were utilized by the undersigned, and the undersigned agrees to be bound by the terms of this Subscription Agreement and all such other documents.
- (d) The information that the undersigned has furnished herein is correct and complete as of the date of this Subscription Agreement and will be correct and complete upon the acceptance of this subscription. The representations, warranties and agreements herein shall survive the acceptance of this subscription and may be relied upon by the company and its officers and affiliates.
- (e) The undersigned will immediately notify the company in writing of any change in any statement made herein, occurring prior to the undersigned's receipt of the company's acceptance of this subscription and such written change will be documented with reference hereto by the undersigned.
- (f) The undersigned is capable of bearing the high degree of economic risk of this investment including, but not limited to, the possibility of complete loss of investment and the lack of a public market that may make it impossible to readily liquidate the investment whenever desired, and the undersigned's overall commitment to investments that are not readily marketable is not disproportionate to the undersigned's net worth, and the undersigned's investment in the shares will not cause such overall commitment to become excessive.
- (g) The undersigned has adequate means of providing for its financial requirements, both current and anticipated, and has no need for liquidity in this investment. This investment is illiquid.
- (h) The undersigned has knowledge and experience in financial and business matters (either alone or with the aid of a purchaser representative), is capable of evaluating the merits and risks of an investment in the company and its proposed activities, has the ability to protect the undersigned's interests in connection with such investment and has carefully considered the suitability of an investment in the company for the undersigned's particular financial situation, and has determined that the shares are a suitable investment.
- (i) The undersigned was not solicited by any publication of any advertisement or by any general solicitation, the interest of the undersigned in the shares was privately solicited by the undersigned's purchaser representative with whom the undersigned has a substantive, pre-existing relationship, and the offer to sell the shares was communicated to the undersigned by the company in such a manner that the undersigned was able to ask questions of and receive answers from the company concerning the terms and conditions of this transaction.
- (j) The undersigned is the sole party in interest as to the shares subscribed for and is acquiring the shares for the undersigned's own account, for investment only and has no present intention, agreement or arrangement for the distribution, transfer, assignment, resale or subdivision of the shares and the undersigned has adequate means of providing for his/her current needs and personal contingencies, and does not anticipate that he/she will have a need to liquidate or transfer the shares during the term of the investment and prior to any company-level liquidity event.
- (k) If the undersigned is an entity, trust, pension fund or IRA account (an "Entity"), the Entity and the person signing on its behalf represent and warrant that: (1) such Entity is an existing entity, and has not been organized or reorganized for the purpose of making this investment (or if not true, such fact has been disclosed to the company in writing along with information concerning the beneficial owners of the Entity); (2) the undersigned has the authority to execute this Subscription Agreement and any other documents required in connection with an investment in the shares; (3) the Entity has the power, right and authority to invest in the shares and enter into the transactions contemplated thereby, and the investment is suitable and appropriate for the Entity and its beneficiaries (given the risks and illiquid nature of the investment); and (4) all documents executed by the Entity in connection with the company are valid and binding documents or agreements of the Entity enforceable in accordance with their terms.

- (l) If the undersigned is acquiring shares in a fiduciary or custodial capacity, the above representations, acknowledgments and agreements shall be deemed to have been made on behalf of the person or persons for whose benefits such shares are being acquired, and the name of each such person is indicated under the undersigned's name in this Subscription Agreement.

**TAXPAYER IDENTIFICATION NUMBER CONFIRMATION (REQUIRED):** The investor(s) signing below, under penalties of perjury, certify that

- (i) the Social Security Number or Taxpayer Identification Number shown on this Subscription Agreement is correct;
- (ii) I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding;
- (iii) I am a U.S. citizen or other U.S. person (including resident alien); and
- (iv) I am exempt from FACTA reporting.

NOTE: CLAUSE (ii) IN THIS CERTIFICATION SHOULD BE CROSSED OUT IF YOU HAVE BEEN NOTIFIED BY THE IRS THAT YOU ARE CURRENTLY SUBJECT TO BACKUP WITHHOLDING. Please attach a copy of the withholding notice.

***The IRS does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.***

If custodial held account, Trustee or Custodian must sign.

**You are making an illiquid investment. Do not sign this form if you do not understand the investment.**

**Signature(s)**

\_\_\_\_\_  
Signature of Investor or Trustee

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Joint Investor or  
Custodian for Custodial Accounts

\_\_\_\_\_  
Date

**Investors will receive confirmation of their purchases upon acceptance of their subscriptions.**

**The Investor's financial representative must sign on the following page to complete the subscription.**

## Broker-Dealer or Registered Investment Adviser Information and Certification

The Investor's financial representative hereby warrants that he/she: (i) is duly licensed and may lawfully sell shares of common stock in the state designated as the Investor's legal residence and (ii) has established a pre-existing relationship with the Investor prior to PREP Net Lease Income Fund III contemplating or initiating the offering of shares, the financial representative agrees to maintain records of the information used to determine that an investment in shares is suitable and appropriate for the Investor for a period of six years, as well as documents establishing a pre-existing relationship between the financial representative and the Investor. The financial representative further warrants that they have provided the Investor with a copy of the PPM and discussed the Investor's prospective purchase of shares with such investor and has advised such investor of all pertinent facts with regard to the lack of liquidity and marketability of the shares and other fundamental risks related to the investment in the shares, the restrictions on transfer of the shares and the risk that the investor could lose his or her entire investment in the shares. The undersigned confirm(s) by their signatures that they have reasonable grounds to believe, on the basis of information supplied by the Investor who has completed this Subscription Agreement concerning his, her or its investment objectives, other investments, financial situation, liquidity and marketability and needs, and other pertinent information that: (1) the Investor is an accredited investor as defined in Section 501(a) of Regulation D and meets the investor suitability requirements set forth in the PPM; (2) the Investor can reasonably benefit from an investment in the shares of the common stock of PREP Net Lease Income Fund III based on such Investor's overall investment objectives and portfolio structure; (3) the investment is in the Investor's best interest as required by Regulation BI; (4) the Investor is able to bear the economic risk of the investment based on such Investor's overall financial situation; (5) the Investor has an apparent knowledge of (A) the features and characteristics of an investment in the shares, (B) the fundamental risks of an investment in the shares, (C) the risk that such Investor may lose his or her entire investment, (D) the lack of liquidity of the shares, (E) the restrictions on transferability of the shares, and (F) the tax consequences of an investment in the shares. The financial representative also hereby warrants that they are not or have not been subject to any of the "Bad Actor" disqualifications described in Rule 506(d)(1)(i) to (viii) under the Securities Act.

The undersigned confirm(s) by their signatures that the representations and warranties above are and shall be continuing representations and warranties throughout the term of the offering. In the event that any of these representations or warranties become untrue, the undersigned will immediately notify PREP Net Lease Income Fund III in writing of the fact which makes the representation or warranty untrue.

Representative Name: \_\_\_\_\_

Representative number and branch ID (if any): \_\_\_\_\_

Registered Firm Name: \_\_\_\_\_

Branch d/b/a Name (if any): \_\_\_\_\_

Branch Address: \_\_\_\_\_

Representative's E-Mail (required): \_\_\_\_\_

Representative's Phone number: \_\_\_\_\_

Financial Representative Signature: \_\_\_\_\_

\_\_\_\_\_  
Date

Firm Principal / Supervisor Signature: \_\_\_\_\_

\_\_\_\_\_  
Date

## **Investment Payment Instructions**

Make checks payable to: **PREP Net Lease Income Fund III, Inc.**

The Subscription Agreement, together with a check for the full purchase price, should be delivered or mailed to:

**Overnight Address:**

PREP Net Lease Income Fund III, Inc.  
Attn: UMB Fund Services  
235 W. Galena St.  
Milwaukee, WI 53212  
844-844-4401

**U.S. Mailing Address:**

PREP Net Lease Income Fund III, Inc.  
Attn: UMB Fund Services  
P.O. Box 2175  
Milwaukee, WI 53201

UMB Fax Number: 816-860-3137

Fully completed subscription documents can be sent directly to the processing system at  
[PREP\\_Processing@umb.com](mailto:PREP_Processing@umb.com)

Other questions regarding subscriptions and existing accounts can be directed to [PREP@umb.com](mailto:PREP@umb.com)

PLEASE NOTE: Money Orders, Traveler's Checks, Starter Checks, Foreign Checks, Counter Checks, Third-Party Checks and Cash cannot be accepted. The maximum number of shares of common stock of PREP Net Lease Income Fund III will be purchased based on the amount set forth under "Amount of Subscription." If you provide payment that differs from the payment amount indicated above, your subscription will be automatically deemed a subscription for the maximum number of shares that may be purchased for the payment provided.

Payments may be sent electronically to (send the Subscription Agreement to the address above or email):

**Wiring Instructions:**

UMB Bank N.A.  
928 Grand Boulevard, Kansas City, MO 64106  
ABA Routing Number: 101000695  
Account Number: 9872586085  
PREP Net Lease Income Fund III  
FBO: (Insert Investor Name)

**For more information, please call us toll-free at:**

**844-844-4401**