

VERMONT CA HOLDCO, LP  
999 WATERSIDE DRIVE, SUITE 2300  
NORFOLK, VA 23510

HGI OPPORTUNITY FUND XVI HOLDINGS, LP  
999, WATERSIDE DRIVE, SUITE 2300  
NORFOLK, VA 23510

|||||

VERMONT CA HOLDCO, LP  
999 WATERSIDE DRIVE, SUITE 2300  
NORFOLK, VA 23510  
757-640-0800

HGI OPPORTUNITY FUND XVI HOLDINGS, LP  
999, WATERSIDE DRIVE, SUITE 2300  
NORFOLK, VA 23510

DEAR PARTNER:

ATTACHED IS YOUR COPY OF THE 2022 PARTNERSHIP FORM 1065 SCHEDULE K-1 AND SCHEDULE K-3. THESE SCHEDULES SUMMARIZE YOUR INFORMATION FROM THE PARTNERSHIP. THIS INFORMATION HAS BEEN PROVIDED TO THE INTERNAL REVENUE SERVICE WITH THE U.S. PARTNERSHIP RETURN OF INCOME, FORM 1065 AND SCHEDULE K-2. THE INFORMATION PROVIDED ON THESE SCHEDULES SHOULD BE ENTERED ON YOUR TAX RETURN, IN ACCORDANCE WITH THE INSTRUCTIONS FOR THE SCHEDULES K-1 AND K-3.

SCHEDULE K-3 COVERS A NUMBER OF TOPICS, SOME OF WHICH ARE RELEVANT TO INVESTORS OF THIS PARTNERSHIP AND SOME OF WHICH ARE NOT. TO THE EXTENT ANY SECTIONS OF THE SCHEDULE K-3 WERE DEEMED NOT APPLICABLE TO THE PARTNERS OF THIS PARTNERSHIP, THOSE PAGES OF THE FORM WERE EXCLUDED FROM YOUR INVESTOR PACKAGE.

THE FOOTNOTES AND STATEMENTS PROVIDE DISCLOSURES REQUIRED BY IRS REGULATIONS. THE TAX POSITIONS TAKEN BY THE PARTNERSHIP SHOULD NOT BE CONSTRUED AS TAX ADVICE. CONSULT YOUR TAX ACCOUNTANT REGARDING THESE STATEMENTS AND PROVIDE A COPY OF THESE SCHEDULES TO YOUR TAX RETURN PREPARER WITH YOUR OTHER TAX INFORMATION.

**PLEASE REVIEW THIS DOCUMENT CAREFULLY. IF YOU BELIEVE CORRECTIONS ARE REQUIRED, PLEASE CONTACT US NO LATER THAN MAY 15, 2023.**

FOR QUESTIONS REGARDING THIS TAX DOCUMENT, PLEASE REFERENCE THE FREQUENTLY ASKED QUESTIONS (FAQ) ON THE INVESTOR PORTAL. TO ACCESS THE INVESTOR PORTAL, GO TO [WWW.HARBORGROUPLP.COM](http://WWW.HARBORGROUPLP.COM), CLICK ON "INVESTORS". IF YOU NEED ASSISTANCE TO ACTIVATE OR LOG IN TO YOUR PORTAL ACCOUNT, OR NEED CORRECTIONS TO YOUR K-1, PLEASE CONTACT:

IN THE U.S.:  
STEVEN HEATHERLY  
(757) 333-4985  
[SHEATHERLY@HARBORG.COM](mailto:SHEATHERLY@HARBORG.COM)

IN ISRAEL:  
LAUREN NOAH  
(03) 753-8400  
[LNOAH@HARBORG.COM](mailto:LNOAH@HARBORG.COM)

WE THANK YOU FOR THE OPPORTUNITY TO SERVE YOU.

VERY TRULY YOURS,

VERMONT CA HOLDCO, LP

Schedule K-1  
(Form 1065)Department of the Treasury  
Internal Revenue Service

2022

For calendar year 2022, or tax year

☐ Final K-1☐ Amended K-1

OMB No. 1545-0123

beginning 11/15/2022 ending 12/31/2022

Partner's Share of Income, Deductions,  
Credits, etc.

See separate instructions.

## Part I Information About the Partnership

A Partnership's employer identification number

88-4191636

B Partnership's name, address, city, state, and ZIP code

VERMONT CA HOLDCO, LP  
999 WATERSIDE DRIVE, SUITE 2300  
NORFOLK, VA 23510

C IRS center where partnership filed return:

E-FILE

D ☐ Check if this is a publicly traded partnership (PTP)

## Part II Information About the Partner

E Partner's SSN or TIN (Do not use TIN of a disregarded entity. See instructions.)

87-3649755

F Name, address, city, state, and ZIP code for partner entered in E. See instructions.

HGI OPPORTUNITY FUND XVI HOLDINGS, LP  
999, WATERSIDE DRIVE, SUITE 2300  
NORFOLK, VA 23510G ☐ General partner or LLC  
member-manager☒ Limited partner or other LLC  
memberH1 ☒ Domestic partner☐ Foreign partnerH2 ☐ If the partner is a disregarded entity (DE), enter the partner's:

TIN \_\_\_\_\_ Name \_\_\_\_\_

I1 What type of entity is this partner? PARTNERSHIP

I2 If this partner is a retirement plan (IRA/SEP/Keogh/etc.), check here ☐

J Partner's share of profit, loss, and capital:

	Beginning	Ending
Profit	0.0000000 %	39.3017240 %
Loss	0.0000000 %	39.3017240 %
Capital	0.0000000 %	39.3017240 %

Check if decrease is due to sale or exchange of partnership interest ☐

K Partner's share of liabilities:

	Beginning	Ending
Nonrecourse	\$	\$ 0.
Qualified nonrecourse financing	\$	\$ 40,944,389.
Recourse	\$ 0.	\$ 0.

Check this box if Item K includes liability amounts from lower-tier partnerships ☐

## L Partner's Capital Account Analysis

Beginning capital account	\$	
Capital contributed during the year	\$	49,255,125.
Current year net income (loss)	\$	-7,282,825.
Other increase (decrease) (attach explanation)	\$	
Withdrawals and distributions	\$(	)
Ending capital account	\$	41,972,300.

M Did the partner contribute property with a built-in gain (loss)?

☐ Yes ☒ No If "Yes," attach statement. See instructions.

## N Partner's Share of Net Unrecognized Section 704(c) Gain or (Loss)

Beginning	\$	
Ending	\$	

Part III Partner's Share of Current Year Income,  
Deductions, Credits, and Other Items

1 Ordinary business income (loss)	0.	14 Self-employment earnings (loss)	A	0.
2 Net rental real estate income (loss)	-7,298,363.	15 Credits		
3 Other net rental income (loss)				
4a Guaranteed payments for services		16 Schedule K-3 is attached if checked <input checked="" type="checkbox"/>		
4b Guaranteed payments for capital		17 Alternative min tax (AMT) items		
4c Total guaranteed payments				
5 Interest income	15,538.	18 Tax-exempt income and nondeductible expenses		
6a Ordinary dividends				
6b Qualified dividends		19 Distributions		
6c Dividend equivalents				
7 Royalties		20 Other information	A	15,538.
8 Net short-term capital gain (loss)		N	*	280,329.
9a Net long-term capital gain (loss)		V	*	-4,114,349.
9b Collectibles (28%) gain (loss)		Z	*	STMT
9c Unrecaptured section 1250 gain				
10 Net section 1231 gain (loss)				
11 Other income (loss)				
12 Section 179 deduction		21 Foreign taxes paid or accrued		
13 Other deductions				
22 <input type="checkbox"/> More than one activity for at-risk purposes*				
23 <input type="checkbox"/> More than one activity for passive activity purposes*				

\*See attached statement for additional information.

For IRS Use Only

---

---

SCHEDULE K-1 BUSINESS INTEREST EXPENSE, BOX 20, CODE N

---

DESCRIPTION	PARTNER FILING INSTRUCTIONS	AMOUNT
BUSINESS INTEREST EXPENSE - (INCLUDED IN RENTAL REAL ESTATE INCOME (LOSS))	SEE PARTNERS INSTRUCTIONS	280,329.
TOTAL TO SCHEDULE K-1, BOX 20, CODE N		280,329.

---

---

SCHEDULE K-1 UNRELATED BUSINESS TAXABLE INCOME,  
BOX 20, CODE V

---

DESCRIPTION	PARTNER FILING INSTRUCTIONS	AMOUNT
UNRELATED BUSINESS TAXABLE INCOME	SEE FOOTNOTE	-4,114,349.
TOTAL TO SCHEDULE K-1, BOX 20, CODE V		-4,114,349.

---

---

SCHEDULE K-1 SECTION 199A INFORMATION, BOX 20, CODE Z

---

DESCRIPTION	AMOUNT
RENT - RES- THE VERMONT	
RENTAL INCOME (LOSS)	-7,298,363.
UNADJUSTED BASIS OF ASSETS	71,150,159.

---

---

SCHEDULE K-1 SECTION 199A ADDITIONAL INFORMATION

---

THE SECTION 199A AMOUNTS TO BE USED IN THE CALCULATION OF QUALIFIED BUSINESS INCOME DEDUCTION ON YOUR 1040/1041 RETURN ARE REPORTED ON LINE 20, UNDER CODE Z. PLEASE CONSULT YOUR TAX ADVISOR REGARDING THE CALCULATION OF THE QUALIFIED BUSINESS INCOME DEDUCTION, INCLUDING THE POSSIBLE AGGREGATIONS AND LIMITATIONS THAT MAY APPLY AND THE FILING OF THE 1.199A-4(C)(2)(I) ANNUAL DISCLOSURE STATEMENT.

---

---

SCHEDULE K-1	CURRENT YEAR NET INCOME (LOSS) AND OTHER INCREASES(DECREASES)
--------------	--

---

DESCRIPTION	AMOUNT	TOTALS
RENTAL REAL ESTATE INCOME (LOSS)	-7,298,363.	
INTEREST INCOME	15,538.	
SCHEDULE K-1 INCOME SUBTOTAL		-7,282,825.
NET INCOME (LOSS) PER SCHEDULE K-1		-7,282,825.

---

---

## SCHEDULE K-1

## FOOTNOTES

THE AMOUNT REPORTED AS YOUR TAX BASIS CAPITAL ACCOUNT IS NOT INTENDED TO REPRESENT YOUR OUTSIDE TAX BASIS IN YOUR PARTNERSHIP INTEREST. PLEASE CONSULT YOUR TAX ADVISOR.

FOR FOREIGN TAXPAYERS, REFERENCE THE ATTACHED SCHEDULE K-3 TO ASSIST WITH DETERMINING WHETHER INCOME IS CONSIDERED EFFECTIVELY CONNECTED WITH THE CONDUCT OF A U.S. TRADE OR BUSINESS.

THE FOLLOWING STATES ARE ATTACHED TO YOUR K-1 IN ACCORDANCE WITH THE FILING REQUIREMENTS OF THESE JURISDICTIONS:VA

DURING THE YEAR THE PARTNERSHIP DID NOT CONDUCT BUSINESS NOR DERIVE INCOME FROM ANY OF THESE STATES. IF YOU ARE NOT A RESIDENT OF THESE STATES YOU MAY NOT BE REQUIRED TO FILE A RETURN IN THESE JURISDICTIONS SOLELY BASED OFF OF THE INFORMATION OF THE PARTNERSHIP.

YOUR ALLOCABLE SHARE OF CURRENT TAX DEPRECIATION EXPENSE IS: 7,312,573.

YOUR ALLOCABLE SHARE OF INTEREST INCOME IS AS FOLLOWS:

PORTFOLIO INTEREST:	15,538.
OTHER INTEREST INCOME:	0.
TOTAL INTEREST INCOME:	15,538.

PARTNER FOOTNOTES FOR SECTION 199(A)

---

PURSUANT TO FINALIZED REGULATION SECTION 1.199A-1 THE PARTNERSHIP IS CONSIDERED A RELEVANT PASSTHROUGH ENTITY ("RPE") AND IS REQUIRED TO DETERMINE AND REPORT CERTAIN INFORMATION ATTRIBUTABLE TO ANY TRADES OR BUSINESSES IN WHICH IT IS DIRECTLY OR INDIRECTLY ENGAGED.

WITH RESPECT TO EACH TRADE OR BUSINESS IN WHICH THE PARTNERSHIP IS DIRECTLY ENGAGED, THE FOLLOWING INFORMATION IS BEING REPORTED TO YOU:

1. CLASSIFICATION AS A QUALIFIED TRADE OR BUSINESS ("QTB") OR A SPECIFIED SERVICE TRADE OR BUSINESS ("SSTB")
2. YOUR ALLOCABLE SHARE OF QUALIFIED ITEMS OF INCOME, GAIN, DEDUCTION AND LOSS ("QUALIFIED BUSINESS INCOME" OR "QBI")
3. YOUR ALLOCABLE SHARE OF W-2 WAGES
4. YOUR ALLOCABLE SHARE OF UNADJUSTED BASIS IMMEDIATELY AFTER ACQUISITION ("UBIA") OF QUALIFIED PROPERTY

TO THE EXTENT THE PARTNERSHIP HAS AGGREGATED ANY TRADES OR BUSINESSES, THE INFORMATION RELATED TO THAT AGGREGATION HAS BEEN REPORTED TO YOU ON AN ATTACHMENT TO YOUR SCHEDULE K-1.

THE AMOUNTS REPORTED ON LINE 20Z FOR EACH TRADE OR BUSINESS DO NOT INCLUDE SECTION 1231 GAINS OR LOSSES. THE TREATMENT OF SECTION 1231 GAINS OR LOSSES FOR PURPOSES OF SECTION 199A IS MADE BY THE INDIVIDUAL, TRUST, OR ESTATE CLAIMING THE SECTION 199A DEDUCTION. THEREFORE, SECTION 1231 GAINS OR LOSSES HAVE BEEN SEPARATELY PROVIDED.

YOUR TOTAL ALLOCABLE SHARE OF 199A RENTAL INCOME (LOSS) IS:	-7,298,363.
YOUR TOTAL ALLOCABLE SHARE OF 1231 GAIN (LOSS) IS:	0.
YOUR TOTAL ALLOCABLE SHARE OF REIT DIVIDENDS IS:	0.
YOUR TOTAL ALLOCABLE SHARE OF THE UNADJUSTED BASIS OF ASSETS	71,150,159.

PLEASE CONSULT YOUR TAX ADVISOR.

PARTNER FOOTNOTES FOR SECTION 163(J)

---

THE PARTNERSHIP HAS ELECTED UNDER SECTION 163(J)(7)(B) TO TREAT THE FOLLOWING REAL PROPERTY TRADE(S) OR BUSINESS(ES) AS AN "ELECTING REAL PROPERTY TRADE OR BUSINESS" AND THEREFORE, TO THE EXTENT INTEREST EXPENSE IS PROPERLY ALLOCABLE TO THE ELECTING REAL PROPERTY TRADE(S) OR BUSINESS(ES), SUCH INTEREST IS NOT SUBJECT TO THE INTEREST LIMITATION RULES OF SECTION 163(J). A PARTNER'S SECTION 163(J) ITEMS FROM SUCH PARTNERSHIP (I.E., BUSINESS INTEREST EXPENSE, BUSINESS INTEREST INCOME, AND ITEMS OF ADJUSTED TAXABLE INCOME) ARE EXCLUDED FROM THE PARTNER'S SECTION 163(J) DEDUCTION CALCULATION.  
PLEASE CONSULT YOUR TAX ADVISOR.

---

UNRELATED BUSINESS TAXABLE INCOME

---

PARTNERSHIP INCOME (LOSS) AND GAIN (LOSS) ARE UNRELATED DEBT FINANCED INCOME(UDFI) UNDER SECTION 514(A). FOR TAX EXEMPT PARTNERS, YOUR SHARE OF THE INCOME AND EXPENSES REPORTED TO YOU ON SCHEDULE K-1 THAT IS CONSIDERED UNRELATED BUSINESS TAXABLE INCOME IS:

NET RENTAL REAL ESTATE INCOME (LOSS)	-4,114,349.
NET SECTION 1231 GAIN (LOSS)	0.
UNRECAPTURED SECTION 1250 GAIN	0.
LINE 13V OTHER DEDUCTIONS - 743(B) ADJUSTMENT	0.



**Schedule K-3  
(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Deductions,  
Credits, etc.-International**

☐ Final K-3

☐ Amended K-3

OMB No. 1545-0123

For calendar year 2022, or tax year beginning 11/15/2022, ending 12/31/2022

See separate instructions.

**2022**

Information About the Partnership	Information About the Partner																																										
<b>A</b> Partnership's employer identification number (EIN)  <b>88-4191636</b>	<b>C</b> Partner's SSN or Taxpayer Identification Number (TIN) (Do not use TIN of a disregarded entity. See instructions.)  <b>87-3649755</b>																																										
<b>B</b> Partnership's name, address, city, state, and ZIP code  <b>VERMONT CA HOLDCO, LP 999 WATERSIDE DRIVE, SUITE 2300 NORFOLK, VA 23510</b>	<b>D</b> Name, address, city, state, and ZIP code for partner entered in C. See instr.  <b>HGI OPPORTUNITY FUND XVI HOLDINGS, LP 999, WATERSIDE DRIVE, SUITE 2300 NORFOLK, VA 23510</b>																																										
<b>E</b> Check to indicate the parts of Schedule K-3 that apply.																																											
<b>1</b> Does Part I apply? If "Yes," complete and attach Part I ..... <b>2</b> Does Part II apply? If "Yes," complete and attach Part II ..... <b>3</b> Does Part III apply? If "Yes," complete and attach Part III ..... <b>4</b> Does Part IV apply? If "Yes," complete and attach Part IV ..... <b>5</b> Does Part V apply? If "Yes," complete and attach Part V ..... <b>6</b> Does Part VI apply? If "Yes," complete and attach Part VI ..... <b>7</b> Does Part VII apply? If "Yes," complete and attach Part VII ..... <b>8</b> Does Part VIII apply? If "Yes," complete and attach Part VIII ..... <b>9</b> Does Part IX apply? If "Yes," complete and attach Part IX ..... <b>10</b> Does Part X apply? If "Yes," complete and attach Part X ..... <b>11</b> Does Part XI apply? If "Yes," complete and attach Part XI ..... <b>12</b> Reserved for future use ..... <b>13</b> Does Part XIII apply? If "Yes," complete and attach Part XIII .....	<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="width:10%;">Yes</th> <th style="width:10%;">No</th> </tr> </thead> <tbody> <tr><td><b>1</b></td><td></td><td><b>X</b></td></tr> <tr><td><b>2</b></td><td><b>X</b></td><td></td></tr> <tr><td><b>3</b></td><td><b>X</b></td><td></td></tr> <tr><td><b>4</b></td><td><b>X</b></td><td></td></tr> <tr><td><b>5</b></td><td></td><td><b>X</b></td></tr> <tr><td><b>6</b></td><td></td><td><b>X</b></td></tr> <tr><td><b>7</b></td><td></td><td><b>X</b></td></tr> <tr><td><b>8</b></td><td></td><td><b>X</b></td></tr> <tr><td><b>9</b></td><td><b>X</b></td><td></td></tr> <tr><td><b>10</b></td><td><b>X</b></td><td></td></tr> <tr><td><b>11</b></td><td></td><td><b>X</b></td></tr> <tr><td><b>12</b></td><td></td><td></td></tr> <tr><td><b>13</b></td><td></td><td><b>X</b></td></tr> </tbody> </table>		Yes	No	<b>1</b>		<b>X</b>	<b>2</b>	<b>X</b>		<b>3</b>	<b>X</b>		<b>4</b>	<b>X</b>		<b>5</b>		<b>X</b>	<b>6</b>		<b>X</b>	<b>7</b>		<b>X</b>	<b>8</b>		<b>X</b>	<b>9</b>	<b>X</b>		<b>10</b>	<b>X</b>		<b>11</b>		<b>X</b>	<b>12</b>			<b>13</b>		<b>X</b>
	Yes	No																																									
<b>1</b>		<b>X</b>																																									
<b>2</b>	<b>X</b>																																										
<b>3</b>	<b>X</b>																																										
<b>4</b>	<b>X</b>																																										
<b>5</b>		<b>X</b>																																									
<b>6</b>		<b>X</b>																																									
<b>7</b>		<b>X</b>																																									
<b>8</b>		<b>X</b>																																									
<b>9</b>	<b>X</b>																																										
<b>10</b>	<b>X</b>																																										
<b>11</b>		<b>X</b>																																									
<b>12</b>																																											
<b>13</b>		<b>X</b>																																									

For IRS Use Only

For Paperwork Reduction Act Notice, see the Instructions for Form 1065.

[www.irs.gov/Form1065](http://www.irs.gov/Form1065)

Schedule K-3 (Form 1065) 2022

LHA

Name of partnership <b>VERMONT CA HOLDCO, LP</b>	EIN <b>88-4191636</b>	Name of partner <b>HGI OPPORTUNITY FUND XVI HOLDINGS</b>	SSN or TIN <b>87-3649755</b>
---	--------------------------	---	---------------------------------

**Part I Partner's Share of Partnership's Other Current Year International Information**

Check box(es) for additional specified attachments. See instructions.

- |  |   |  |  |
|--|---|--|--|
| <input type="checkbox"/> 1. Gain on personal property sale | <input type="checkbox"/> 5. High-taxed income                 | <input type="checkbox"/> 8. Form 5471 information      | <input type="checkbox"/> 11. Dual consolidated loss    |
| <input type="checkbox"/> 2. Foreign oil and gas taxes      | <input type="checkbox"/> 6. Section 267A disallowed deduction | <input type="checkbox"/> 9. Other forms                | <input type="checkbox"/> 12. Form 8865 information     |
| <input type="checkbox"/> 3. Splitter arrangements          | <input type="checkbox"/> 7. Form 8858 information             | <input type="checkbox"/> 10. Partner loan transactions | <input type="checkbox"/> 13. Other international items |
| <input type="checkbox"/> 4. Foreign tax translation        |   |  | (attach description and statement)                     |

**Part II Foreign Tax Credit Limitation****Section 1 - Gross Income**

Description	(a) U.S. source	Foreign Source				(f) Sourced by partner	(g) Total
		(b) Foreign branch category income	(c) Passive category income	(d) General category income	(e) Other (category code )		
<b>1</b> Sales							
<b>A</b>							
<b>B</b>							
<b>C</b>							
<b>2</b> Gross income from performance of services							
<b>A</b>							
<b>B</b>							
<b>C</b>							
<b>3</b> Gross rental real estate income							
<b>A</b> US	702,338.	0.	0.	0.	0.	0.	702,338.
<b>B</b>							
<b>C</b>							
<b>4</b> Other gross rental income							
<b>A</b>							
<b>B</b>							
<b>C</b>							
<b>5</b> Guaranteed payments							
<b>6</b> Interest income							
<b>A</b> US	15,538.	0.	0.	0.	0.	0.	15,538.
<b>B</b>							
<b>C</b>							
<b>7</b> Ordinary dividends (exclude amount on line 8)							
<b>A</b>							
<b>B</b>							
<b>C</b>							

Name of partnership <b>VERMONT CA HOLDCO, LP</b>	EIN <b>88-4191636</b>	Name of partner <b>HGI OPPORTUNITY FUND XVI HOLDINGS</b>	SSN or TIN <b>87-3649755</b>
---	--------------------------	---	---------------------------------

**Part II Foreign Tax Credit Limitation** (continued)**Section 1 - Gross Income** (continued)

Description	(a) U.S. source	Foreign Source				(f) Sourced by partner	(g) Total
		(b) Foreign branch category income	(c) Passive category income	(d) General category income	(e) Other (category code )		
<b>8</b> Qualified dividends							
<b>A</b>							
<b>B</b>							
<b>C</b>							
<b>9</b> Reserved for future use .....							
<b>10</b> Royalties and license fees							
<b>A</b>							
<b>B</b>							
<b>C</b>							
<b>11</b> Net short-term capital gain							
<b>A</b>							
<b>B</b>							
<b>C</b>							
<b>12</b> Net long-term capital gain							
<b>A</b>							
<b>B</b>							
<b>C</b>							
<b>13</b> Collectibles (28%) gain							
<b>A</b>							
<b>B</b>							
<b>C</b>							
<b>14</b> Unrecaptured section 1250 gain							
<b>A</b>							
<b>B</b>							
<b>C</b>							
<b>15</b> Net section 1231 gain							
<b>A</b>							
<b>B</b>							
<b>C</b>							

Name of partnership <b>VERMONT CA HOLDCO, LP</b>	EIN <b>88-4191636</b>	Name of partner <b>HGI OPPORTUNITY FUND XVI HOLDINGS</b>	SSN or TIN <b>87-3649755</b>
---	--------------------------	---	---------------------------------

**Part II Foreign Tax Credit Limitation** (continued)**Section 1 - Gross Income** (continued)

Description	(a) U.S. source	Foreign Source				(f) Sourced by partner	(g) Total
		(b) Foreign branch category income	(c) Passive category income	(d) General category income	(e) Other (category code )		
<b>16</b> Section 986(c) gain .....							
<b>17</b> Section 987 gain .....							
<b>18</b> Section 988 gain .....							
<b>19</b> Section 951(a) inclusions							
<b>A</b> .....							
<b>B</b> .....							
<b>C</b> .....							
<b>20</b> Other income (see instructions)							
<b>A</b> .....							
<b>B</b> .....							
<b>C</b> .....							
<b>21</b> Reserved for future use							
<b>A</b> .....							
<b>B</b> .....							
<b>C</b> .....							
<b>22</b> Reserved for future use							
<b>A</b> .....							
<b>B</b> .....							
<b>C</b> .....							
<b>23</b> Reserved for future use							
<b>A</b> .....							
<b>B</b> .....							
<b>C</b> .....							
<b>24</b> <b>Total gross income</b> (combine lines 1 through 23) .....	<b>717,876.</b>						<b>717,876.</b>
<b>A</b> <b>US</b> .....	<b>717,876.</b>	<b>0.</b>	<b>0.</b>	<b>0.</b>	<b>0.</b>	<b>0.</b>	<b>717,876.</b>
<b>B</b> .....							
<b>C</b> .....							

Name of partnership <b>VERMONT CA HOLDCO, LP</b>	EIN <b>88-4191636</b>	Name of partner <b>HGI OPPORTUNITY FUND XVI HOLDINGS</b>	SSN or TIN <b>87-3649755</b>
---	--------------------------	---	---------------------------------

**Part II Foreign Tax Credit Limitation** (continued)**Section 2 - Deductions**

Description	(a) U.S. source	Foreign Source				(f) Sourced by partner	(g) Total
		(b) Foreign branch category income	(c) Passive category income	(d) General category income	(e) Other (category code )		
<b>25</b> Expenses allocable to sales income ...							
<b>26</b> Expenses allocable to gross income from performances of services .....							
<b>27</b> Net short-term capital loss .....							
<b>28</b> Net long-term capital loss .....							
<b>29</b> Collectibles loss .....							
<b>30</b> Net section 1231 loss .....							
<b>31</b> Other losses .....							
<b>32</b> Research & experimental (R&E) expenses							
<b>A</b> SIC code: .....							
<b>B</b> SIC code: .....							
<b>C</b> SIC code: .....							
<b>33</b> Allocable rental expenses - depreciation, depletion, and amortization .....	7,318,679.						7,318,679.
<b>34</b> Allocable rental expenses - other than depreciation, depletion, and amortization .....	401,692.						401,692.
<b>35</b> Allocable royalty and licensing expenses - depreciation, depletion, and amortization .....							
<b>36</b> Allocable royalty and licensing expenses - other than depreciation, depletion, and amortization .....							
<b>37</b> Depreciation not included on line 33 or 35 .....							
<b>38</b> Charitable contributions .....							
<b>39</b> Interest expense specifically allocable under Regulations section 1.861-10(e)							
<b>40</b> Other interest expense specifically allocable under Regulations section 1.861-10T .....							
<b>41</b> Other interest expense - business .....						280,329.	280,329.
<b>42</b> Other interest expense - investment ...							
<b>43</b> Other interest expense - passive activity							
<b>44</b> Section 59(e)(2) expenditures, excluding R&E expenses on line 32 .....							
<b>45</b> Foreign taxes not creditable but deductible .....							

Name of partnership <b>VERMONT CA HOLDCO, LP</b>	EIN <b>88-4191636</b>	Name of partner <b>HGI OPPORTUNITY FUND XVI HOLDINGS</b>	SSN or TIN <b>87-3649755</b>
---	--------------------------	---	---------------------------------

**Part II Foreign Tax Credit Limitation** (continued)**Section 2 - Deductions** (continued)

Description	(a) U.S. source	Foreign Source				(f) Sourced by partner	(g) Total
		(b) Foreign branch category income	(c) Passive category income	(d) General category income	(e) Other (category code )		
<b>46</b> Section 986(c) loss .....							
<b>47</b> Section 987 loss .....							
<b>48</b> Section 988 loss .....							
<b>49</b> Other allocable deductions (see instructions) .....							
<b>50</b> Other apportioned share of deductions (see instructions) .....							
<b>51</b> Reserved for future use .....							
<b>52</b> Reserved for future use .....							
<b>53</b> Reserved for future use .....							
<b>54</b> <b>Total deductions</b> (combine lines 25 through 53) .....	<b>7,720,371.</b>					<b>280,329.</b>	<b>8,000,700.</b>
<b>55</b> <b>Net income (loss)</b> (subtract line 54 from line 24) .....	<b>-7,002,495.</b>					<b>-280,329.</b>	<b>-7,282,824.</b>

**Part III Other Information for Preparation of Form 1116 or 1118****Section 1 - R&E Expenses Apportionment Factors**

Description	(a) U.S. source	Foreign Source				(f) Sourced by partner	(g) Total
		(b) Foreign branch category income	(c) Passive category income	(d) General category income	(e) Other (category code ) (country code )		
<b>1</b> Gross receipts by SIC code							
<b>A</b> SIC code: .....							
<b>B</b> SIC code: .....							
<b>C</b> SIC code: .....							
<b>E</b> SIC code: .....							
<b>E</b> SIC code: .....							
<b>F</b> SIC code: .....							
<b>2</b> Exclusive apportionment with respect to total R&E expenses entered on Part II, line 32. Enter the following.							
<b>A</b> R&E expense with respect to activity performed in the United States							
(i) SIC code: .....						<b>2A(i)</b>	
(ii) SIC code: .....						<b>2A(ii)</b>	
(iii) SIC code: .....						<b>2A(iii)</b>	
<b>B</b> R&E expense with respect to activity performed outside the United States							
(i) SIC code: .....						<b>2B(i)</b>	
(ii) SIC code: .....						<b>2B(ii)</b>	
(iii) SIC code: .....						<b>2B(iii)</b>	

Name of partnership <b>VERMONT CA HOLDCO, LP</b>	EIN <b>88-4191636</b>	Name of partner <b>HGI OPPORTUNITY FUND XVI HOLDINGS</b>	SSN or TIN <b>87-3649755</b>
---	--------------------------	---	---------------------------------

**Part III Other Information for Preparation of Form 1116 or 1118** (continued)**Section 2 - Interest Expense Apportionment Factors**

Description	(a) U.S. source	Foreign Source				(f) Sourced by partner	(g) Total
		(b) Foreign branch category income	(c) Passive category income	(d) General category income	(e) Other (category code _____ ) (country code _____ )		
<b>1</b> Total average value of assets .....	<b>36,315,233.</b>						<b>36,315,233.</b>
<b>2</b> Sections 734(b) and 743(b) adjustment to assets - average value .....							
<b>3</b> Assets attracting directly allocable interest expense under Regulations section 1.861-10(e) .....							
<b>4</b> Other assets attracting directly allocable interest expense under Regulations section 1.861-10T .....							
<b>5</b> Assets excluded from apportionment formula .....							
<b>6a</b> Total assets used for apportionment (subtract the sum of lines 3, 4, and 5 from the sum of lines 1 and 2) .....	<b>36,315,233.</b>						<b>36,315,233.</b>
<b>b</b> Assets attracting business interest expense .....							
<b>c</b> Assets attracting investment interest expense .....							
<b>d</b> Assets attracting passive activity interest expense .....							
<b>7</b> Basis in stock of 10%-owned noncontrolled foreign corporations (see attachment) .....							
<b>8</b> Basis in stock of CFCs (see attachment) .....							

**Section 3 - Foreign-Derived Intangible Income (FDII) Deduction Apportionment Factors**

Description	(a) U.S. source	Foreign Source			(e) Sourced by partner	(f) Total
		(b) Passive category income	(c) General category income	(d) Other (category code _____ ) (country code _____ )		
<b>1</b> Foreign-derived gross receipts .....						
<b>2</b> Cost of goods sold .....						
<b>3</b> Partnership deductions allocable to foreign-derived gross receipts .....						
<b>4</b> Other partnership deductions apportioned to foreign-derived gross receipts .....						

Name of partnership <b>VERMONT CA HOLDCO, LP</b>	EIN <b>88-4191636</b>	Name of partner <b>HGI OPPORTUNITY FUND XVI HOLDINGS</b>	SSN or TIN <b>87-3649755</b>
---	--------------------------	---	---------------------------------

**Part IV Information on Partner's Section 250 Deduction With Respect to Foreign-Derived Intangible Income (FDII)****Section 1 - Information To Determine Deduction Eligible Income (DEI) and Qualified Business Asset Investment (QBAI) on Form 8993**

<b>1</b> Net income (loss) .....	<b>1</b>	<b>-7,282,824.</b>
<b>2a</b> DEI gross receipts .....	<b>2a</b>	
<b>b</b> DEI cost of goods sold (COGS) .....	<b>2b</b>	
<b>c</b> DEI properly allocated and apportioned deductions .....	<b>2c</b>	
<b>3</b> Section 951(a) inclusions .....	<b>3</b>	
<b>4</b> CFC dividends .....	<b>4</b>	
<b>5</b> Financial services income .....	<b>5</b>	
<b>6</b> Domestic oil and gas extraction income .....	<b>6</b>	
<b>7</b> Foreign branch income .....	<b>7</b>	
<b>8</b> Partnership QBAI .....	<b>8</b>	

**Section 2 - Information To Determine Foreign-Derived Deduction Eligible Income on Form 8993 (see instructions)**

	(a) Foreign-derived income from all sales of general property	(b) Foreign-derived income from all sales of intangible property	(c) Foreign-derived income from all services	(d) Total (add columns (a) through (c))
<b>9</b> Gross receipts .....				
<b>10</b> COGS .....				
<b>11</b> Allocable deductions .....				
<b>12</b> Other apportioned deductions .....			<b>12</b>	

**Section 3 - Other Information for Preparation of Form 8993**

	(a) DEI	(b) FDDEI	(c) Total
<b>13</b> Interest deductions			
<b>A</b> A Interest expense specifically allocable under Regulations section 1.861-10(e) .....			
<b>B</b> Other interest expense specifically allocable under Regulations section 1.861-10T .....			
<b>C</b> Other interest expense .....			
<b>14</b> Interest expense apportionment factors			
<b>A</b> Total average value of assets .....			
<b>B</b> Sections 734(b) and 743(b) adjustment to assets - average value .....			
<b>C</b> Assets attracting directly allocable interest expense under Regulations section 1.861-10(e) .....			
<b>D</b> Other assets attracting directly allocable interest expense under Regulations section 1.861-10T .....			
<b>E</b> Assets excluded from apportionment formula .....			
<b>F</b> Total assets used for apportionment (the sum of lines 14C, 14D, and 14E subtracted from the sum of lines 14A and 14B) ...			
R&E expenses apportionment factors			
<b>15</b> Gross receipts by SIC code			
<b>A</b> SIC code: .....			
<b>B</b> SIC code: .....			
<b>C</b> SIC code: .....			
<b>16</b> R&E expenses by SIC code			
<b>A</b> SIC code: .....			<b>16A</b>
<b>B</b> SIC code: .....			<b>16B</b>
<b>C</b> SIC code: .....			<b>16C</b>



Name of partnership <b>VERMONT CA HOLDCO, LP</b>	EIN <b>88-4191636</b>	Name of partner <b>HGI OPPORTUNITY FUND XVI HOLDINGS</b>	SSN or TIN <b>87-3649755</b>
---	--------------------------	---	---------------------------------

**Part VIII Partner's Interest in Foreign Corporation Income (Section 960)**

- A** EIN or reference ID number of controlled foreign corporation \_\_\_\_\_ **B** Separate category. See instructions \_\_\_\_\_
- C** If PAS was entered on line B, applicable grouping under Regulations section 1.904-4(c). See instructions \_\_\_\_\_
- D** Box is checked if there is more than one source country for a line. See attachment and instructions \_\_\_\_\_
- E** Box is checked if U.S. source income \_\_\_\_\_
- F** Box is checked if FORI or FOGEI \_\_\_\_\_

Amounts are in functional currency unless otherwise noted. See instructions.	(i) Country code	(ii) Partner's share of net income	(iii) Reserved for future use	(iv) Reserved for future use
<b>1</b> Subpart F income groups				
<b>a</b> Dividends, interest, rents, royalties, and annuities (total) _____				
<b>(1)</b> Unit: _____				
<b>(2)</b> Unit: _____				
<b>b</b> Net gain from certain property transactions (total) _____				
<b>(1)</b> Unit: _____				
<b>(2)</b> Unit: _____				
<b>c</b> Net gain from commodities transactions (total) _____				
<b>(1)</b> Unit: _____				
<b>(2)</b> Unit: _____				
<b>d</b> Net foreign currency gain (total) _____				
<b>(1)</b> Unit: _____				
<b>(2)</b> Unit: _____				
<b>e</b> Income equivalent to interest (total) _____				
<b>(1)</b> Unit: _____				
<b>(2)</b> Unit: _____				
<b>f</b> Other _____				
<b>(1)</b> Unit: _____				
<b>(2)</b> Unit: _____				
<b>g</b> Foreign base company sales income (total) _____				
<b>(1)</b> Unit: _____				
<b>(2)</b> Unit: _____				
<b>h</b> Foreign base company services income (total) _____				
<b>(1)</b> Unit: _____				
<b>(2)</b> Unit: _____				
<b>i</b> Full inclusion foreign base company income (total) _____				
<b>(1)</b> Unit: _____				
<b>(2)</b> Unit: _____				
<b>j</b> Insurance income (total) _____				
<b>(1)</b> Unit: _____				
<b>(2)</b> Unit: _____				
<b>k</b> International boycott income (total) _____				
<b>l</b> Bribes, kickbacks, and other payments (total) _____				
<b>m</b> Section 901(j) (total) _____				

Name of partnership <b>VERMONT CA HOLDCO, LP</b>	EIN <b>88-4191636</b>	Name of partner <b>HGI OPPORTUNITY FUND XVI HOLDINGS</b>	SSN or TIN <b>87-3649755</b>
---	--------------------------	---	---------------------------------

**Part VIII Partner's Interest in Foreign Corporation Income (Section 960)** *(continued)*

<i>Amounts are in functional currency unless otherwise noted. See instructions.</i>		(i) Country code	(ii) Partner's share of net income	(iii) Reserved for future use	(iv) Reserved for future use
<b>2</b>	Recaptured subpart F income .....				
<b>3</b>	Tested income group (total) .....				
	(1) Unit: .....				
	(2) Unit: .....				
<b>4</b>	Residual income group (total) .....				
	(1) Unit: .....				
	(2) Unit: .....				
<b>5</b>	Total .....				

**Part IX Partner's Information for Base Erosion and Anti-Abuse Tax (Section 59A)****Section 1 - Applicable Taxpayer** (see instructions)

Description	(a) Total	(b) Total ECI gross receipts	(c) Total non-ECI gross receipts
<b>1</b> Gross receipts for section 59A(e) .....	<b>717,876.</b>	<b>717,876.</b>	
<b>2</b> Gross receipts for the first preceding year .....			
<b>3</b> Gross receipts for the second preceding year .....			
<b>4</b> Gross receipts for the third preceding year .....			
<b>5</b> Amounts included in the denominator of the base erosion percentage as described in Regulations section 1.59A-2(e)(3) .....			

**Section 2 - Base Erosion Payments and Base Erosion Tax Benefits** (see instructions)

Description	(a) Total	(b) Total base erosion payments	(c) Total base erosion tax benefits
<b>6</b> Reserved for future use .....			
<b>7</b> Reserved for future use .....			
<b>8</b> Purchase or creations of property rights for intangibles (patents, trademarks, etc.) .....			
<b>9</b> Rents, royalties, and license fees .....			
<b>10 a</b> Compensation/consideration paid for services <b>not</b> excepted by section 59A(d)(5) .....			
<b>b</b> Compensation/consideration paid for services excepted by section 59A(d)(5) .....			
<b>11</b> Interest expense .....			
<b>12</b> Payments for the purchase of tangible personal property .....			
<b>13</b> Premiums and/or other considerations paid or accrued for insurance and reinsurance as covered by sections 59A(d)(3) and 59A(c)(2)(A)(iii) .....			
<b>14 a</b> Nonqualified derivative payments .....			
<b>b</b> Qualified derivative payments excepted by section 59A(h) .....			
<b>15</b> Payments reducing gross receipts made to surrogate foreign corporation .....			
<b>16</b> Other payments-specify: .....			
<b>17</b> Base erosion tax benefits related to payments reported on lines 6 through 16, on which tax is imposed by section 871 or 881, with respect to which tax has been withheld under section 1441 or 1442 at the 30% (0.30) statutory withholding tax rate .....			

Name of partnership <b>VERMONT CA HOLDCO, LP</b>	EIN <b>88-4191636</b>	Name of partner <b>HGI OPPORTUNITY FUND XVI HOLDINGS</b>	SSN or TIN <b>87-3649755</b>
---	--------------------------	---	---------------------------------

**Part IX Partner's Information for Base Erosion and Anti-Abuse Tax (Section 59A)** (continued)**Section 2 - Base Erosion Payments and Base Erosion Tax Benefits** (see instructions) (continued)

	(a) Total	(b) Total base erosion payments	(c) Total base erosion tax benefits
<b>18</b> Portion of base erosion tax benefits reported on lines 6 through 16, on which tax is imposed by section 871 or 881, with respect to which tax has been withheld under section 1441 or 1442 at reduced withholding rate pursuant to income tax treaty. Multiply ratio of percentage withheld divided by 30% (0.30) times tax benefit. See instructions .....			
<b>19 Total base erosion tax benefits</b> (subtract the sum of lines 17 and 18 from the sum of lines 8 through 16)			
<b>20</b> Reserved for future use .....			
<b>21</b> Reserved for future use .....			
<b>22</b> Reserved for future use .....			

**Part X Foreign Partner's Character and Source of Income and Deductions****Section 1 - Gross Income**

Description	(a) Total	(b) Partner determination	Partnership Determination				
			ECI		Non-ECI		
			(c) U.S. source	(d) Foreign source	(e) U.S. source (FDAP)	(f) U.S. source (other)	(g) Foreign source
<b>1</b> Ordinary business income (gross) .....							
<b>2</b> Gross rental real estate income .....	<b>702,338.</b>		<b>702,338.</b>				
<b>3</b> Other gross rental income .....							
<b>4</b> Guaranteed payments for services .....							
<b>5</b> Guaranteed payments for use of capital .....							
<b>6</b> Interest income .....	<b>15,538.</b>		<b>15,538.</b>				
<b>7</b> Dividends .....							
<b>8</b> Dividend equivalents .....							
<b>9</b> Royalties and license fees .....							
<b>10</b> Net short-term capital gain .....							
<b>11</b> Net long-term capital gain .....							
<b>12</b> Collectibles (28%) gain .....							
<b>13</b> Unrecaptured section 1250 gain .....							
<b>14</b> Net section 1231 gain .....							
<b>15</b> Reserved for future use .....							
<b>16</b> Reserved for future use .....							
<b>17</b> Reserved for future use .....							
<b>18</b> Reserved for future use .....							
<b>19</b> Reserved for future use .....							
<b>20</b> Other income (loss) not included on lines 1 through 19 .....							
<b>21 Gross income</b> (sum of lines 1 through 20) .....	<b>717,876.</b>		<b>717,876.</b>				

Name of partnership <b>VERMONT CA HOLDCO, LP</b>	EIN <b>88-4191636</b>	Name of partner <b>HGI OPPORTUNITY FUND XVI HOLDINGS</b>	SSN or TIN <b>87-3649755</b>
---	--------------------------	---	---------------------------------

**Part X Foreign Partner's Character and Source of Income and Deductions** (continued)**Section 2 - Deductions, Losses, and Net Income**

Description	(a) Total	(b) Partner determination	Partnership Determination				
			ECI		Non-ECI		
			(c) U.S. source	(d) Foreign source	(e) U.S. source (FDAP)	(f) U.S. source (other)	(g) Foreign source
<b>1</b> Expenses related to ordinary business income (gross) .....							
<b>2</b> Research and experimental expenses .....							
<b>3</b> Expenses from rental real estate .....	<b>7,720,371.</b>		<b>7,720,371.</b>				
<b>4</b> Expenses from other rental activities .....							
<b>5</b> Royalty and licensing expenses .....							
<b>6</b> Section 179 deduction .....							
<b>7</b> Interest expense on U.S.-booked liabilities .....	<b>280,329.</b>		<b>280,329.</b>				
<b>8</b> Interest expense directly allocable under Regulations sections 1.882-5(a)(1)(ii)(B) and 1.861-10T .....							
<b>9</b> Other interest expense .....							
<b>10</b> Section 59(e)(2) expenditures .....							
<b>11</b> Net short-term capital loss .....							
<b>12</b> Net long-term capital loss .....							
<b>13</b> Collectibles loss .....							
<b>14</b> Net section 1231 loss .....							
<b>15</b> Other losses							
<b>(1)</b>							
<b>(2)</b>							
<b>16</b> Charitable contributions .....							
<b>17</b> Other:							
<b>18</b> Other:							
<b>19</b> Reserved for future use .....							
<b>20</b> Reserved for future use .....							
<b>21</b> Reserved for future use .....							
<b>22</b> Reserved for future use .....							
<b>23</b> Reserved for future use .....							
<b>24</b> <b>Total</b> (sum of lines 1 through 23) .....	<b>8,000,700.</b>		<b>8,000,700.</b>				
<b>25</b> <b>Net income (loss)</b> (line 21 (Section 1) minus line 24 (Section 2)) .....	<b>-7,282,824.</b>						

Name of partnership <b>VERMONT CA HOLDCO, LP</b>	EIN <b>88-4191636</b>	Name of partner <b>HGI OPPORTUNITY FUND XVI HOLDINGS</b>	SSN or TIN <b>87-3649755</b>
---	--------------------------	---	---------------------------------

**Part X Foreign Partner's Character and Source of Income and Deductions** (continued)**Section 3 - Allocation and Apportionment Methods for Deductions**

<b>1</b> Gross income			
<b>a</b> Gross ECI		<b>717,876.</b>	
<b>b</b> Worldwide gross income		<b>717,876.</b>	
<b>2</b> Assets			
<b>a</b> Average U.S. assets (inside basis)		<b>36,315,233.</b>	
<b>b</b> Worldwide assets		<b>36,315,233.</b>	
<b>3</b> Liabilities			
<b>a</b> U.S.-booked liabilities of partnership		<b>20,472,194.</b>	
<b>b</b> Directly allocated partnership indebtedness		<b>40,816,412.</b>	
<b>4</b> Personnel			
<b>a</b> Personnel of U.S. trade or business			
<b>b</b> Worldwide personnel			
<b>5</b> Gross receipts from sales or services by SIC code			
(i) SIC code	(ii) ECI	(iii) Worldwide	
<b>a</b>			
<b>b</b>			
<b>6</b> Reserved for future use			
	(i)	(ii)	(iii)
<b>a</b>			
<b>b</b>			
<b>7</b> Other allocation and apportionment key			
	(i) Key/Factor	(ii) Allocation	
<b>a</b>			
<b>b</b>			
<b>8</b> Other allocation and apportionment key			
	(i) Key/Factor	(ii) Allocation	
<b>a</b>			
<b>b</b>			

**Section 4 - Reserved for Future Use**

	Reserved	(a)	(b)	(c)
<b>1</b>	Reserved for future use			
<b>2</b>	Reserved for future use			
<b>3</b>	Reserved for future use			
<b>4</b>	Reserved for future use			
<b>5</b>	Reserved for future use			
<b>6</b>	Reserved for future use			
<b>7</b>	Reserved for future use			
<b>8</b>	Reserved for future use			
<b>9</b>	Reserved for future use			
<b>10</b>	Reserved for future use			

TAXABLE YEAR

2022

# **Partner's Share of Income, Deductions, Credits, etc.**

239741 12-15-22  
CALIFORNIA SCHEDULE**K-1 (565)**

TYB 11-15-2022 TYE 12-31-2022  
87-3649755

HGI OPPORTUNITY FUND XVI HOLDINGS LP

999 WATERSIDE DRIVE SUITE 2300  
NORFOLK VA 23510

88-4191636 190000000000  
VERMONT CA HOLDCO LP

999 WATERSIDE DRIVE SUITE 2300  
NORFOLK VA 23510

**A** Is this partner a: • (1) ☐ general partner; or (2) ☒ limited partner?

**B** What type of entity is this partner? • See instructions.

(1) ☐ Individual (4) ☐ C Corporation (7) ☐ LLP (10) ☐ Exempt Organization

(2) ☐ S Corporation (5) ☐ General Partnership (8) ☐ LLC (11a) ☐ Disregarded Entity (DE)

(3) ☐ Estate/Trust (6) ☒ Limited Partnership (9) ☐ IRA/Keogh/SEP (11b) DE owner's name \_\_\_\_\_

(11c) DE owner's TIN \_\_\_\_\_

**C** Is this partner a foreign partner? • ☐ Yes ☒ No

**D** Enter partner's percentage (without regard to special allocations) of:

(i) Beginning

(ii) Ending

Profit	0.0000	%	•	39.3017	%
Loss	0.0000	%	•	39.3017	%
Capital	0.0000	%	•	39.3017	%

Check the box if decrease is due to sale or exchange of partnership interest ☐

**E** Partner's share of liabilities:

(i) Beginning

(ii) Ending

Nonrecourse	\$	0.00	•	\$	0.00
Qualified nonrecourse financing	\$	0.00	•	\$	40,944,389.00
Recourse	\$	0.00	•	\$	0.00

Check the box if Item E includes liability amounts from lower tier partnerships ☐

**F** Reportable transaction or tax shelter registration number(s) ☒ \_\_\_\_\_

**G** (1) Check here if this is a publicly traded partnership as defined in IRC Section 469(k)(2) ☒

(2) Check here if this is an investment partnership (R&TC Sections 17955 and 23040.1) ☒

## Partner's name

HGI OPPORTUNITY FUND XVI HOLDINGS, LP

## Partner's identifying number

87-3649755

H Check here if this is: • (1) ☐ A final Schedule K-1 (565) (2) ☐ An amended Schedule K-1 (565)I Is this partner a resident of California? ☐ Yes ☒ NoJ Did this partner contribute property with a built-in gain or loss? If "Yes" attach statement. See instructions ☐ Yes ☒ No

K Partner's share of net unrecognized IRC Section 704(c) gain or (loss) ..... (i) Beginning ..... (ii) Ending .....

## L Analysis of partner's tax basis capital account:

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Current year net income (loss)	(d) Other increase (decrease) (attach explanation)	(e) Withdrawals and distributions	(f) Capital account at end of year, combine column (a) through column (e)
•	• 49,255,125	• -7,282,825		• ( )	• 41,972,300

Caution: Refer to Partner's Instructions for Schedule K-1 (565) before entering information from this schedule on your California return.

	(a) Distributive share items	(b) Amounts from federal Sched. K-1 (Form 1065)	(c) California adjustments	(d) Total amounts using California law. Combine col. (b) and col. (c)	(e) California source amounts and credits
Income (Loss)	1 Ordinary income (loss) from trade or business activities .....			•	▶
	2 Net income (loss) from rental real estate activities ..... -7,298,363	6,695,188	• -603,175	▶ -603,175	
	3 Net income (loss) from other rental activities .....		•	•	
	4a Guaranteed payments to partners .....				
	4b Guaranteed payments for capital .....				
	4c Total guaranteed payments .....		•	▶	
	5 Interest income .....	15,538	• 15,538	▶	
	6 Dividends .....		•	▶	
	7 Royalties .....		•	▶	
	8 Net short-term capital gain (loss) .....		•	▶	
	9 Net long-term capital gain (loss) .....		•	▶	
	10 a Total gain under IRC Section 1231 (other than due to casualty or theft) .....		•	▶	
	b Total loss under IRC Section 1231 (other than due to casualty or theft) .....		•	▶	
	11 a Other portfolio income (loss). Attach schedule .....		•	▶	
	b Total other income .....		•	▶	
	c Total other loss .....		•	▶	

Partner's name

HGI OPPORTUNITY FUND XVI HOLDINGS, LP

Partner's identifying number

87-3649755

	(a) Distributive share items	(b) Amounts from federal Schedule K-1 (Form 1065)	(c) California adjustments	(d) Total amounts using California law. Combine col. (b) and col. (c)	(e) California source amounts and credits
<b>Deductions</b>	<b>12</b> Expense deduction for recovery property (IRC Section 179) .....				
	<b>13 a</b> Charitable contributions .....				
	<b>b</b> Investment interest expense .....				
	<b>c 1</b> Total expenditures to which an IRC Section 59(e) election may apply .....				
	<b>2</b> Type of expenditures .....				
	<b>d</b> Deductions related to portfolio income .....				
	<b>e</b> Other deductions .....				
<b>Credits</b>	<b>15 a</b> Total withholding (equals amount on Form 592-B if calendar year partnership) ...			•	▶
	<b>b</b> Low-income housing credit .....				
	<b>c</b> Credits other than line 15b related to rental real estate activities .....				
	<b>d</b> Credits related to other rental activities .....				
	<b>e</b> Nonconsenting nonresident members' tax allocated to partner .....				
	<b>f</b> Other credits - Attach required schedules or statements .....				
<b>Alternative Minimum Tax (AMT) Items</b>	<b>17 a</b> Depreciation adjustment on property placed in service after 1986 .....		87,414	87,414	87,414
	<b>b</b> Adjusted gain or loss .....				
	<b>c</b> Depletion (other than oil & gas) .....				
	<b>d</b> Gross income from oil, gas, and geothermal properties .....				
	<b>e</b> Deductions allocable to oil, gas, and geothermal properties .....				
	<b>f</b> Other alternative minimum tax items .....				
<b>Tax-Exempt Income and Nondeductible Expenses</b>	<b>18 a</b> Tax-exempt interest income .....				
	<b>b</b> Other tax-exempt income .....				
	<b>c</b> Nondeductible expenses .....				
<b>Distributions</b>	<b>19 a</b> Distributions of money (cash and marketable securities) .....			•	
	<b>b</b> Distributions of property other than money .....			•	
<b>Other Information</b>	<b>20 a</b> Investment income .....	15,538		15,538	
	<b>b</b> Investment expenses .....				
	<b>c</b> Other information. See instructions .....	STMT			
<b>21</b>	<input type="checkbox"/> More than one activity for at-risk purposes. See instructions.				
<b>22</b>	<input type="checkbox"/> More than one activity for passive activity purposes. See instructions.				



## Partner's name

HGI OPPORTUNITY FUND XVI HOLDINGS, LP

## Partner's identifying number

87-3649755

## Other Partner Information

**Table 1** - Partner's share of nonbusiness income from intangibles (source of income is dependent on residence or commercial domicile of the partner):

Interest ...	\$	15,538	Sec. 1231 Gains/Losses	\$		Capital Gains/Losses	\$	
Dividends	\$		Royalties .....	\$		Other .....	\$	

FOR USE BY PARTNERS ONLY - See instructions.

**Table 2** - Partner's share of distributive items.

- A. Partner's share of the partnership's business income. See instructions. \$
- B. Partner's share of nonbusiness income from real and tangible personal property sourced or allocable to California.

Capital Gains/Losses ...	\$		Rents/Royalties	\$	
Sec. 1231 Gains/Losses	\$		Other .....	\$	

- C. Partner's distributive share of the partnership's property, payroll, and sales:

Factors	Total within and outside California	Total within California
Property: Beginning .....	\$	\$
Property: Ending .....	\$	\$
Property: Annual rent expense .....	\$	\$
Payroll .....	\$	\$
Sales .....	\$	\$

**Table 3** - Partner's share of cost of goods sold, deductions, and rental income.

Enter only amounts used to determine income (loss) derived from and attributable to California sources. All amounts entered on this table are first multiplied by the appropriate percentage in Item D (ii) end of year partner's profit and loss percentage on Side 1. See the partnership Schedule K-1 instructions for information on how to obtain the amounts below.

1. Schedule K, line 1, column (d), Ordinary income (loss) from trade or business activities:

a. Enter as a positive amount the cost of goods sold used to determine the amount on Schedule K, line 1, column (d), plus the total amounts on line 1a of Table 3 from all Schedule K-1s (565) this partnership received ..... \$

b. Enter as a positive amount the total deductions used to determine the amount on Schedule K, line 1, column (d), plus the total amounts on line 1b of Table 3 from all Schedule K-1s (565) this partnership received ..... \$

2. Enter the total gross rents from line 18a of federal Form 8825 as adjusted for California law differences, plus the total amounts on line 2 of Table 3 from all Schedule K-1s (565) this partnership received ..... \$ 702,338

3. Enter the gross income (loss) from other rental activities from Schedule K, line 3a, column (d), plus the total amounts on line 3 of Table 3 from all Schedule K-1s (565) this partnership received ..... \$

---

---

CA SCHEDULE K-1 COLUMN C RECONCILIATION

---

<u>DESCRIPTION</u>	<u>AMOUNT</u>
RENTAL REAL ESTATE INCOME (LOSS)	<7,298,363.>
INTEREST INCOME	15,538.
TOTAL TO SCHEDULE K-1 ANALYSIS OF CAPITAL ACCOUNT, COLUMN C	<7,282,825.>

---

---

---

---

CA SCHEDULE K-1 OTHER INFORMATION

---

<u>DESCRIPTION</u>	<u>AMOUNT</u>
UNRELATED BUSINESS TAXABLE INCOME	<4,114,349.>

---

---

---

---

CA SCHEDULE K-1 AGGREGATE GROSS RECEIPTS FOR AMT EXCLUSION

---

<u>DESCRIPTION</u>	<u>AMOUNT</u>
RENTAL REAL ESTATE: RES- THE VERMONT	702,329.
INTEREST	15,538.
TOTAL	717,867.

---

---

2022 Form 502  
Schedule VK-1

Virginia Pass-Through Entity  
Owner's Share of Income and  
Virginia Modifications and Credits



CHECK IF -

☐ Final If SHORT Period Return: Beginning Date 11/15/2022; Ending Date 12/31/2022  
☐ Amended Return: Enter Reason Code ☐ Owner is Participating in a Unified Nonresident Individual Income Tax Return

Owner Information		Pass-Through Entity (PTE) Information	
Name <b>HGI OPPORTUNITY FUND XV</b>	FEIN or SSN <b>87-3649755</b>	Name <b>VERMONT CA HOLDCO, LP</b>	FEIN <b>88-4191636</b>
Address <b>999, WATERSIDE DRIVE, SUITE 2300</b>		Address <b>999 WATERSIDE DRIVE, SUI</b>	
Address Continued		Taxable Year End Date <b>12/31/22</b>	
City or Town, State, and ZIP Code <b>NORFOLK, VA 23510</b>		Address Continued	
		City or Town, State, and ZIP Code <b>NORFOLK, VA 23510</b>	

**Additional Owner Information** (see instructions)

a. Date owner acquired interest in the PTE (MM/DD/YYYY) .....	a. <u>11/15/2022</u>
b. Owner's entity type (Enter code) .....	b. <u>PL</u>
c. Owner's participation type (Enter code) .....	c. <u>LPT</u>
d. Owner's participation percentage (Example: 47.35%) .....	d. <u>39.30</u> %
e. Amount withheld by PTE for the owner .....	e. <u>.00</u>
f. If owner or entity is exempt from withholding, enter an exemption code .....	f. _____

**Distributive or Pro Rata Income and Deductions** (see instructions)

1. Total taxable income amounts .....	1. <u>-7282825</u> .00
2. Total deductions .....	2. <u>.00</u>
3. Tax-exempt interest income .....	3. <u>.00</u>

**Allocation and Apportionment**

4. Income allocated to Virginia (owner's share from PTE's Schedule 502A, Section C, Line 2) .....	4. <u>.00</u>
5. Income allocated outside of Virginia (owner's share from PTE's Schedule 502A, Section C, Line 3(e)) .....	5. <u>.00</u>
6. Apportionable income (owner's share from PTE's Schedule 502A, Section C, Line 4) .....	6. <u>-7282825</u> .00
7. Virginia apportionment percentage (from PTE's Schedule 502A, Section B - percent from Line 1 or Line 2(f), or 100%) .....	7. <u>.000000</u> %

**Virginia Additions - Owner's Share**

8. Fixed date conformity - depreciation .....	8. <u>6695188</u> .00
9. Fixed date conformity - other .....	9. <u>.00</u>
10. Net income tax or other tax used as a deduction in determining taxable income (see instructions) .....	10. <u>.00</u>
11. Interest on municipal or state obligations other than from Virginia .....	11. <u>.00</u>

12. Other additions (see Form 502 instructions for addition codes.)

Code	Amount	Code	Amount
12a. <input style="width: 40px;" type="text"/>	<u>.00</u>	12b. <input style="width: 40px;" type="text"/>	<u>.00</u>
12c. <input style="width: 40px;" type="text"/>	<u>.00</u>	12d. <input style="width: 40px;" type="text"/>	<u>.00</u>

13. Total Additions (add Lines 8-11 and 12a-12d) .....	13. <u>6695188</u> .00
--	------------------------

**Virginia Subtractions - Owner's Share**

14. Fixed date conformity - depreciation .....	14. <u>.00</u>
15. Fixed date conformity - other .....	15. <u>.00</u>
16. Income from obligations of the United States .....	16. <u>.00</u>
17. Other subtractions (see Form 502 instructions for subtraction codes.)	

Certification Number (if applicable)	Code	Amount
17a. <input style="width: 150px;" type="text"/>	<input style="width: 40px;" type="text"/>	<u>.00</u>
17b. <input style="width: 150px;" type="text"/>	<input style="width: 40px;" type="text"/>	<u>.00</u>
17c. <input style="width: 150px;" type="text"/>	<input style="width: 40px;" type="text"/>	<u>.00</u>
17d. <input style="width: 150px;" type="text"/>	<input style="width: 40px;" type="text"/>	<u>.00</u>

18. Total Subtractions. (add Lines 14-16 and 17a-17d) .....	18. <u>.00</u>
---	----------------

Use **Schedule SVK-1** if you are claiming more additions or subtractions than the Schedule VK-1 allows.

Refer to the Form 502 Instructions for addition and subtraction codes. Check this box and enclose Schedule SVK-1. ☐

**2022 Virginia  
Schedule VK-1**

Page 2

Owner FEIN or SSN **87-3649755**  
PTE FEIN **88-4191636****Virginia Tax Credits**

See the Schedule CR Instructions (individuals) or Schedule 500CR Instructions (corporations).

**Part I - Nonrefundable Credits**

1. State Income Tax Paid (see Form 502 Instructions) .....	.00
2. Neighborhood Assistance Act Tax Credit .....	.00
3. Biodiesel and Green Diesel Fuels Tax Credit .....	.00
4. Recyclable Materials Processing Equipment Tax Credit .....	.00
5. Vehicle Emissions Testing Equipment Tax Credit .....	.00
6. Major Business Facility Job Tax Credit .....	.00
7. Waste Motor Oil Burning Equipment Tax Credit .....	.00
8. Riparian Forest Buffer Protection for Waterways Tax Credit .....	.00
9. Reserved for Future Use .....	XXXXXXXXXXXXXXXXXXXX
10. Reserved for Future Use .....	XXXXXXXXXXXXXXXXXXXX
11. Reserved for Future Use .....	XXXXXXXXXXXXXXXXXXXX
12. Historic Rehabilitation Tax Credit .....	.00
13. Land Preservation Tax Credit .....	.00
14. Qualified Equity and Subordinated Debt Investments Tax Credit .....	.00
15. Communities of Opportunity Tax Credit .....	.00
16. Green Jobs Creation Tax Credit .....	.00
17. Farm Wineries and Vineyards Tax Credit .....	.00
18. International Trade Facility Tax Credit .....	.00
19. Port Volume Increase Tax Credit .....	.00
20. Barge and Rail Usage Tax Credit .....	.00
21. Livable Home Tax Credit .....	.00

22. Research and Development Expenses Tax Credit (Use this line if the taxpayer does not qualify for a refundable credit.) .....	.00
23. Education Improvement Scholarships Tax Credit .....	.00
24. Major Research and Development Expenses Tax Credit .....	.00
25. Food Crop Donation Tax Credit .....	.00
26. Worker Training Tax Credit .....	.00
27. Virginia Housing Opportunity Tax Credit .....	.00

**Part II - Total Nonrefundable Credits****1. Total Nonrefundable Credits.**Add Part I, Lines 1-8 and 12-27 ..... **.00****Part III - Refundable Credits**

1. Agricultural Best Management Practices Tax Credit .....	.00
2. 100% Coalfield Employment Enhancement Tax Credit from 2022 Form 306D, Part II, Section 1, Line 1 .....	.00
3. Full Credit: Enter amount from 2022 Form 306D, Part II, Section 2, Line 3 .....	.00
4. 85% Credit: Enter amount from 2022 Form 306D, Part II, Section 3, Line 5 .....	.00
5. Total Coalfield Employment Enhancement Tax Credit allowable this year (Add Lines 3 and 4) .....	.00
6. Reserved for Future Use .....	XXXXXXXXXXXXXXXXXXXX
7. Motion Picture Production Tax Credit .....	.00
8. Research and Development Expenses Tax Credit .....	.00
9. Conservation Tillage and Precision Agricultural Equipment Tax Credit .....	.00
10. Pass-Through Entity Elective Tax Payment Credit .....	.00

**Part IV - Total Refundable Credits****1. Total Refundable Credits.**(Add Part III, Lines 1, 5, and 7-10) ... **.00**

**NOTICE:** You received this Schedule VK-1 because the above-named PTE earned income from Virginia sources and has passed through to you a portion of that Virginia source income based on your ownership of the PTE. A copy of this schedule has been filed with the Department. Everyone who receives Virginia source income is subject to taxation by Virginia regardless of state of residency or domicile. You may be required to file a Virginia tax return even though you may be a nonresident individual or a business domiciled outside of Virginia. To determine if you are required to file a Virginia income tax return, consult a tax professional. Information and forms may be obtained at [www.tax.virginia.gov](http://www.tax.virginia.gov), or by calling the Department at (804) 367-8031 (individuals) or (804) 367-8037 (businesses).

NONE OF THE MODIFICATIONS ARE FROM VA SOURCES.