



## BR Sonoma Pointe, DST

1300 SANTA ROSA DRIVE, KISSIMMEE, FLORIDA 34741



**Sonoma Pointe** (the “Property”) represents an opportunity to invest in a newer (2015), Class A apartment community in the rapidly growing Orlando metro. Residents enjoy high-end amenities in a classy, relaxed urban setting with luxurious and spacious unit interiors that offer residents the finest in modern day apartment living.

### Infill Location with Tremendous Regional Accessibility

The Property is geographically positioned to capitalize on both the rapid economic and population growth of the Orlando metro as well as the transformation of Kissimmee with new technology and manufacturing jobs. Residents enjoy proximity to the area’s major roadways, and the new SunRail connection provides easy access to everywhere in Orlando.

BR Sonoma Pointe, DST (the “Trust”) seeks to provide investors with monthly cash distributions and medium-to-long term “upside” capital appreciation potential from professional property management and increased rental rates driven by renter demand throughout the Orlando Metro.

There is no guarantee investors will receive distributions or the return of their capital. See the “Risk Factors” section in the Confidential Private Placement Memorandum (the “Memorandum”). The results shown may not occur, and your performance could vary significantly. Capitalized terms used, but not defined, in this brochure have the meanings given in the Memorandum.

**FOR ACCREDITED INVESTOR USE ONLY** | *This is neither an offer to sell nor a solicitation of an offer to buy any securities, which can be made only by the receipt of the Memorandum. This material must be reviewed in conjunction with the Memorandum to fully understand all of the implications and risks of the Offering of securities to which it relates. A copy of the Memorandum must be made available to you in connection with this Offering. Prospective purchasers should carefully read the Memorandum and review any additional information they desire prior to making an investment and should be able to bear the complete loss of their investment.*





SONOMA POINTE IS A 9-BUILDING COMMUNITY ON APPROXIMATELY 13.5 ACRES

# Key Investment Considerations

## BR SONOMA POINTE, DST

- ▶ **Orlando's economy is booming** with a low 3.6% unemployment rate driven by a 4.2% job growth rate in the last three years, more than double the national average. (Source: Southeast Realty Consultants Appraisal dated June 2, 2017).
- ▶ **Orlando was the #1 Metro for job growth** and the #2 Metro for population growth in the U.S. in 2016 (Orlando). (Source: Bureau of Labor Statistics, U.S. Census Bureau).
- ▶ **Orlando attracted 68+ million visitors in 2016**, the most of any U.S. city ever. (Source: Southeast Realty Consultants Appraisal dated June 2, 2017).
- ▶ **Orlando is ranked second** in Forbes "America's Fastest-Growing Cities 2017."
- ▶ **12 jobs were created for every one multifamily unit permitted**, during the last 7 years in Orlando. (Source: Axiometrics Annual Market Trend, Q1 2017).
- ▶ **130,000+ jobs** within a 20-minute drive including the Loop/Loop West, Tupperware Brands, South Orlando Commercial Core, NeoCity, Lake Nona Medical City, Darden Restaurants Headquarters, Orlando Theme Parks and the Orlando International Airport. (Source: ARA Newmark).
- ▶ **High occupancy multifamily market** with Orlando and Kissimmee posting 95.6% and 96.4% occupancy rate, respectively. (Source: Axiometrics, Inc., Annual Market Trend Report Q1 2017).

*\*Bluerock's acquisition price is before all fees and expenses associated with the BR Sonoma Pointe, DST securities offering.*

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# NEOCITY

**Pictured:** (Top) Orlando, Florida skyline | (Bottom) Rendering of the NeoCity high-tech corridor south of U.S. Highway 192 and Osceola Heritage Park.

*Note: Investors are not purchasing interests in any of the above properties.*

## Investment Overview



### Business Plan

Bluerock Value Exchange, LLC (“BVEX”) will seek to add value to the Property through the implementation of the following items (further detailed in “Business Plan” section of the Memorandum):

- Use creative marketing initiatives incorporating local businesses, vendors, sponsorships, and specialized internet search engines;
- Implement state-of-the-art computerized revenue management, leasing, and reputation management systems and programs to maximize revenues;
- Upgrade fixtures and furnishings for leasing office, clubhouse, fitness center, model unit and courtyard spaces, pet park, and car wash areas;
- Upgrade and refresh to the landscaping to enhance curb appeal at the Property’s entrance, clubhouse, and amenity areas;
- Upgrade LED Lighting in all common areas and institute a nationally recognized third-party property management company to oversee an on-site management team of experienced and enthusiastic professionals.

## OFFERING HIGHLIGHTS

Minimum 1031 Investment: (0.52649% interest)	<b>\$100,000</b>
Assumed Debt (0.52649% interest):	\$135,465
Offering Purchase Price: includes approx. \$600,000 in Supplemental Trust Reserves	\$44,533,951
Equity Amount:	\$18,803,951
Loan Amount:	\$25,730,000
Loan Terms:	57.53% Loan-to-Capitalization; 10-Year Term; 5-years interest only 3.99% Fixed Interest Rate
Purchase Price per Unit: <sup>1</sup>	\$202,969
Projected Hold Period:	Approx. 7-10 Years
Current Cash Flow:	5.50% annual rate; paid monthly (“Additional Rent”); and 90% of revenues above breakpoint; paid annually**

### The Master Lease

The Trust leased the Property to an affiliate of Bluerock, BR Sonoma Pointe Leaseco, LLC, a newly-formed Delaware limited liability company (the “Master Tenant”), under a 10-year master lease agreement (the “Master Lease”). The Master Tenant sub-leases the Property to the residential tenants (the “Residents”). The purpose of the Master Lease is to permit the Master Tenant to operate the Property and to enable actions to be taken with respect to the Property that the Trust would be unable to take due to tax law related restrictions, including but not limited to, a restriction against re-leasing the Property.

As part of the Master Lease, the Trust will receive Base Rent (debt service), Additional Rent (monthly distributions) and Supplemental Rent (annual performance distribution) from the Property’s gross revenues as described in the Master Lease.\*

(1) Figure rounded and represents initial Trust purchase price, offering fees and expenses, excluding Lender Reserves and Supplemental Trust Reserves.

\* There is no guarantee investors will receive distributions or a full return of capital. See “Risk Factors” and “Master Lease” sections in the Memorandum. Pursuant to the Master Lease, the projected current cash flow is comprised of: (i) Additional Rent, if attained, of 5.50% per annum paid on a monthly basis; and (ii) Supplemental Rent, if attained, paid on an annual basis. The results shown may not occur, and your performance could vary significantly.

\*\* Pursuant to the Master Lease, the projected current cash flow is comprised of: (i) Additional Rent, if attained, of 5.50% per annum paid on a monthly basis; and (ii) an amount equal to 90% of the amount by which annual gross revenues exceed the Supplemental Rent Breakpoint, paid on an annual basis. Current cash flow is not indicative of future results.



## Property Summary

The Property features high-quality construction and a modern living space in one, two, and three bedroom apartment homes. Located on approximately 13.5 acres in Kissimmee, residents enjoy proximity to 130,000+ jobs, abundant shopping and restaurants, and nearby recreational lakes.

**Year Built:** 2015

**Class:** A

**Buildings:** 9

**Acres:** 13.49

**Number of Units:** 216

**Average Unit Size:** 992

**Total Square Feet:** 214,260



POOLSIDE LANAI WITH FIREPLACE



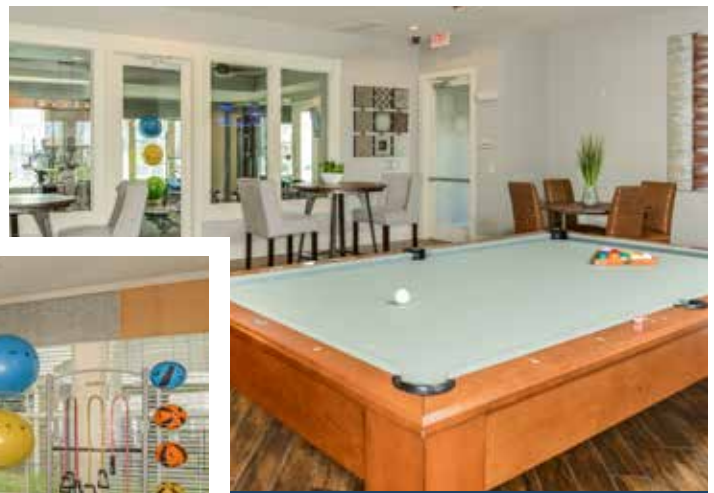
FITNESS CENTER

## Top-of-the-Market Unit Amenities

- Technological Floor Plans (Cat 5e/6 outlets)
- Full-sized Washer/Dryers in All Units
- Plumbed Kitchen Islands
- Stainless Steel Kitchen Sinks with Garbage Disposals
- Side-by-side, Frost-Free Refrigerators
- Granite Countertops & Wood Cabinets
- Cabinet Pantries
- Porcelain Tile Flooring in Bathroom
- Wood Vinyl Plank Flooring in Kitchen & Living Areas
- Ceiling Fans in Living Room & Bedrooms
- ENERGY STAR Appliance Package
- French Doors

## Abundant Community Amenities

- State-of-the-art Fitness Center
- Resort-Style Swimming Pool
- Game Room
- Pool Pavilion with Outdoor Kitchen & Gas Fireplace
- Business Center
- Electric Vehicle Charging Stations in Select Detached Garages
- Bark Park with Dog Washing Area
- Wifi Café



CLUBHOUSE WITH POOL TABLE



AERIAL VIEW OF PROPERTY

## Why Apartments?

The Millennial Generation, at more than 86 million, already exceeding that of the Baby Boomers at similar ages, is expected to increase over the next 20 years as immigration (typically of young adults) continues to pick up.

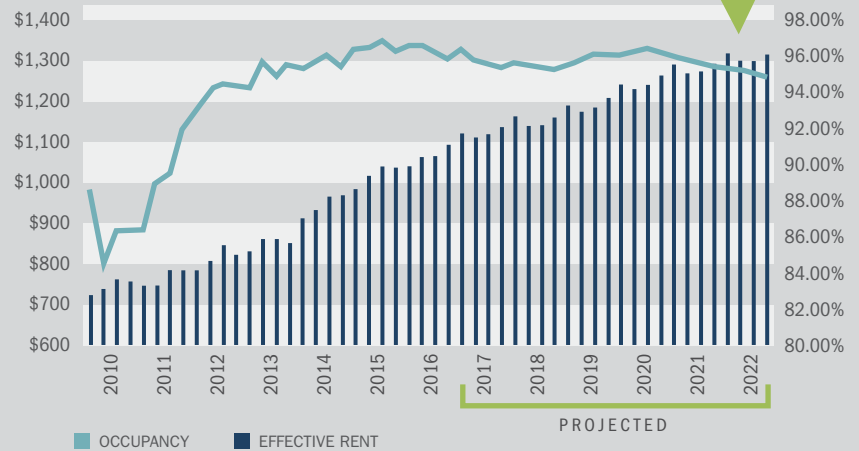
Although they are only now beginning to live on their own, Millennials will likely form even more households than the gen-Xers and even the Baby Boomers. In fact, according to a recent study by the National Multifamily Housing Council (NMHC), the nation is projected to add **4.6 million new renter households** by 2030.

**59%** OF THE **22 MILLION** new households that will form BETWEEN **2010 and 2030** will **rent**<sup>1</sup>

Consistent with this national trend, the Orlando Metro apartment market has a robust **95.6% occupancy rate**. Rental rates have risen steadily since 2009 and Axiometrics forecasts rent increases of 18% through 2022 driven by low vacancy rates.<sup>2</sup>

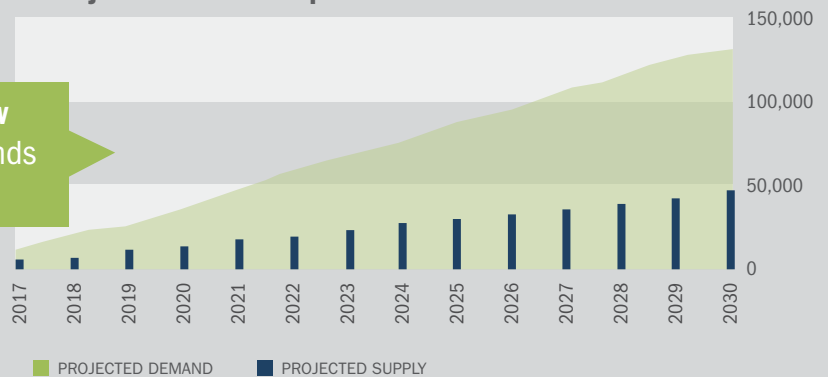
Orlando metro is projected to add **130,000 new renter households** by 2030. Current supply trends will provide less than one half of this demand.

### Kissimmee Apartment Market Trends



(Source: Axiometrics Annual Submarket Trend Report, Q1 2017).

### Projected Orlando Apartment Demand



(Source: NMHC "U.S. Apartment Demand - A Forward Look", May 2017).

(1) Decennial Censuses and Urban Institute projections June 2015.

(2) Axiometrics Annual Market Trend Report Q1 2017.



## Regional Overview

The Property is located in Kissimmee, Florida in the Orlando-Kissimmee-Sanford Metropolitan Statistical Area (“MSA”) (“Orlando Metro”) in the interior of Central Florida, just southwest of the intersection of the Florida Turnpike and Highway 417, approximately 16 miles south of downtown Orlando.

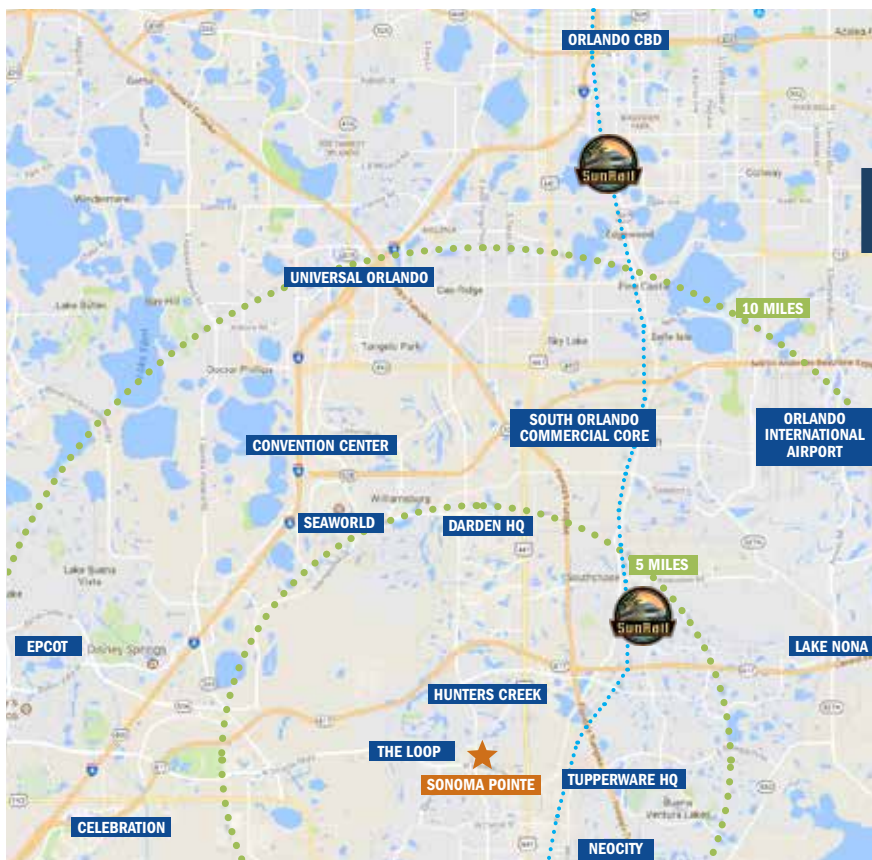
Orlando’s overall economy is experiencing impressive growth. In the past three years, job growth, at a rate of 4.2% annually, has been more than double the U.S. rate. Growth is being driven by population growth, numerous infrastructure improvements, and large additions at most theme parks. According to the Appraisal, the Orlando area’s tourist industry is booming, reaching a record level of 68 million visitors in 2016. The future looks bright, with many new theme parks and attractions recently completed or delivering soon, including Universal’s Volcano Bay, Disney’s Pandora: The World of Avatar, Legoland’s Ninjago, the \$300 million Skyplex park and the Orlando City Soccer Club expansion. The metro has also increased its prominence hosting sports events, such as the NFL Pro Bowl and the 2017 NCAA Men’s Basketball Championship’s first and second rounds.

### Infrastructure Enhancements

To accommodate the growth and visitor traffic, many infrastructure improvements are underway, including the I-4 Ultimate Improvement Project and Orlando International Airport’s \$3 billion capital improvement project. The airport saw nearly 42 million travelers pass through in 2016 and construction has begun on both the Intermodal Terminal Facility and an Automated People Mover. Additionally, Central Florida Expressway Authority recently announced the largest plan in its history, which will create over 11,000 jobs by 2022. The \$1.6 billion work plan will widen existing roads, resurface and improve highway lighting and complete portions of the I-4 Ultimate project.

## Orlando Metro Facts

- ▮ **2.44 million residents**  
(Source: U.S. Census Bureau).
- ▮ **2nd fastest population growth** (14.4%) from 2010-2016 among top 40 metros  
(Source: Orlando Economic Development Commission).
- ▮ **1.24 million total employment**  
(Source: Bureau of Labor Statistics).
- ▮ **Projected among fastest metros for employment growth from 2017-2019**  
(Source: Southeast Realty Consultants Appraisal dated June 2, 2017).
- ▮ **The State of Florida attracted a record 113 million visitors in 2016, about 68 million in Orlando**  
(Source: Visit Orlando, 2017).



## Proximity to Orlando’s Largest Employment Centers

- ▮ **ACROSS STREET**  
 The Loop/Loop West (1M+ SF retail)
- ▮ **< 1 MILE WEST**  
 Tupperware Brand Corp (311 jobs)
- ▮ **5 MINUTES**  
 South Orlando Commercial Core (10.4M SF of office)
- ▮ **10 MINUTES**  
 NeoCity (500-acre mixed-use tech campus)
- ▮ **15 MINUTES**  
 Darden Restaurants HQ (5,221 jobs)  
 Orlando Theme Parks (100K+ jobs)
- ▮ **20 MINUTES**  
 Lake Nona Medical City (5,000+ jobs)  
 Orlando International Airport (18,000 jobs)





DOWNTOWN ORLANDO

Orlando International Airport

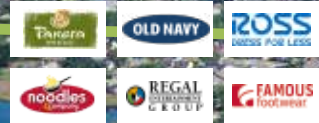


CENTRAL FLORIDA GREENWAY

Publix

LAKE NONA

Hunter's Creek



The Loop/Loop West

SOUTH DIXIE HWY (53,000 VPD)

JOHN YOUNG PARKWAY (44,000 VPD)

Age Restricted Residences (55+)

BLUEROCK  
BR Sonoma Pointe, DST

Medical Offices

GRENWALD WAY



## Local Overview

The Property is centrally located within 20 minutes commuting distance to more than 130,000 jobs among Orlando's largest employment centers including Tupperware Headquarters, Lake Nona Medical City, Darden Restaurants, Orlando Theme Parks, and the Orlando International Airport. The Property also offers immediate access to abundant shopping with the Loop/Loop West, a 1 million + square feet development of retail, dining, and entertainment which includes: Regal Cinema, Bed, Bath & Beyond, Kohl's BJ's Restaurant, Bonefish Grill, and Panera Bread across the street and The Crosslands, a Fresh Market anchored center with a HomeGoods and PetSmart, just half a mile away. The Property is also located very near the border of Hunters Creek, a planned community comprised of upscale residential neighborhoods, parks, and lakes.



The immediate area benefits from proximity to two hospitals, both in Kissimmee: the Florida Hospital Kissimmee and the Osceola Regional Medical Center. Osceola Regional Medical Center is a 332-bed hospital, built in 1997 with \$125 million in expansions since its initial construction.

**Pictured:** (Top) The Loop Outdoor Mall | (Bottom) Lake Nona Medical City  
*Note: Investors are not purchasing interests in either of these properties.*



# BR Sonoma Pointe, DST

Delaware  
Statutory Trust  
(DST)

[www.bluerockexchange.com](http://www.bluerockexchange.com)

## About Bluerock Value Exchange, LLC

**BVEX** is a national sponsor of syndicated 1031 exchange offerings with a focus on Class A assets that can deliver stable cash flows and with the potential for value creation. BVEX is an affiliate of Bluerock Real Estate, L.L.C., a private equity real estate investment firm having managed assets of over 22 million square feet and over \$3.2 billion. Bluerock's senior management team has an average of over 25 years investing experience, has been involved with acquiring over 35 million square feet of real estate worth approximately \$10 billion, and has helped launch leading real estate private and public company platforms.

## About 1031 Exchanges

Section 1031 of the Internal Revenue Code ("Section 1031") provides that, in general, no gain or loss shall be recognized on the exchange of like-kind property held for productive use in a trade or business, or for investment. A tax-deferred exchange is a method by which a property owner trades one or more relinquished properties for one or more replacement properties of "like-kind," while deferring the payment of federal income taxes and some state taxes on the transaction.

There are numerous Section 1031 rules and requirements, including, but not limited to; sellers cannot receive or control the net sales proceeds; replacement property must be like-kind to the relinquished property; the replacement property must be identified within 45 days from the sale of the property; the replacement property must be acquired within 180 days from the sale of the original property; and the attributed debt placed or assumed on the property must be equal to or greater than the attributed debt on the relinquished property to avoid boot.

## Risk Factors

**The securities offered herein are highly speculative and involve substantial risks.** Do not acquire an Interest if you cannot afford to lose your entire investment. Carefully consider the risks described below, as well as the other information in the Memorandum before making a decision to purchase an Interest. Consult with your legal, tax and financial advisors about an investment in an Interest. The risks described below are not the only risks that may affect an investment in an Interest. Additional risks and uncertainties that we do not presently know or have not identified may also materially and adversely affect the value of an Interest, the Property or the performance of your investment. The risks of purchasing an Interest include, but are not limited to, the following:

- this being a "best-efforts" offering with no minimum raise or minimum escrow requirements;
- the lack of liquidity of the Interests and lack of diversity of investment;
- the holding of a beneficial interest in the Trust with very limited voting rights with respect to the management or operations of the Trust or in connection with the sale of the Property;
- owning, financing, operating and leasing a multifamily apartment complex and real estate generally in and around Orlando, Florida;
- those incident to the ownership of real property, including changes in national and local economic conditions, changes in the investment climate for real estate investments, changes in the demand for or supply of competing properties, changes in local market conditions and neighborhood characteristics, the availability and cost of mortgage funds, the obligation to

meet fixed and maturing obligations (if any), unanticipated holding costs, the availability and cost of necessary utilities and services, changes in real estate tax rates and other operating expenses, changes in governmental rules and fiscal policies, changes in zoning and other land use regulations, environmental controls, acts of God (which may result in uninsured losses) and other factors beyond the control of the Trust;

- performance of the Master Tenant under the Master Lease;
- there is no assurance that the Property can achieve or maintain the occupancy level or rate increases anticipated. If assumptions are not correct, anticipated results will not be achieved and the rate of return may be lower than that projected;
- the projected cash flow is speculative and based on certain assumptions, i.e., maintaining certain occupancy levels and certain net rental rates;
- reliance on the Master Tenant, the Property Manager engaged by the Master Tenant, and the Property Sub-Manager subcontracted by the Property Manager to manage the Property;
- the Sponsor funding the demand note that capitalizes the Master Tenant;
- the terms of the financing for the Property and the use of leverage, which presents an additional element of risk in the event that the cash receipts from the operation of the Property are insufficient to meet the principal and interest payments on such indebtedness. In order to comply with tax requirements for Section 1031 exchanges, the Trust is not permitted to obtain new financing and Purchasers of interests are not permitted to make additional capital contributions to the Trust. Thus, if the cash flow from the Property is insufficient to allow the Master Tenant to make the required payments under the Master Lease, including payments required to service the Loan, the Lender may foreclose on the Property and the Purchasers' equity in the Property may be reduced or lost entirely;
- acquisition of the interests may not qualify as a Section 1031 exchange, which depends on the specific facts involved, including, without limitation, the nature and use of the relinquished property and the method of its disposition, the use of a qualified intermediary and a qualified exchange escrow, the lapse of time between the sale of the relinquished property and the identification and acquisition of the replacement property and no opinion or assurance being provided to the effect that any individual prospective Purchaser's transaction will qualify under Section 1031;
- the existence of various conflicts of interest among the Sponsor, the Trust, the Master Tenant, the Property Manager and their affiliates;
- material tax risks, including treatment of the interests for the purposes of Section 1031 and the use of exchange funds to pay acquisition costs, which may result in taxable boot; and
- competition from properties similar to and near the Property.

See "Risk Factors" section of the Memorandum for a more detailed discussion of the risks associated with the interests. All terms capitalized, but not defined herein, shall have the meaning given in the Memorandum. Securities offered to Accredited Investors only pursuant to Rule 501 of Regulation D of the Securities Act of 1933.

For more information, please contact your financial advisor or Bluerock Capital Markets LLC at 877.826.BLUE (2583)



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Securities Offered Through **Bluerock Capital Markets LLC**  
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