

NNN Harbour Landing, LLC

AVAILABLE FOR §1031 EXCHANGE ♦ LLC INVESTMENT



Information about the property contained in this material must be read in conjunction with the Confidential Private Placement Memorandum, which contains additional important risk disclosures and more specific information about the property. This is neither an offer to sell nor a solicitation of an offer to buy an LLC interest in this property. Offers are made solely pursuant to the Confidential Private Placement Memorandum. Prospective investors should consult their own tax advisors to evaluate the tax consequences of an investment. The information in this material is current as of August 8, 2007.

THIS INVESTMENT IS SPECULATIVE AND INVOLVES A HIGH DEGREE OF RISK.



Property Summary

Harbour Landing is a 284-unit multifamily community on South Padre Island Drive in Corpus Christi, Texas. Built in 1986 on 11.5 acres, the property consists of 22 apartment buildings and a spacious clubhouse with vaulted ceilings, a full-size kitchen and media center. Community amenities include a fitness center with state-of-the-art equipment, fenced tennis court, basketball court, barbeque/picnic areas, playground, business center, laundry facilities and two swimming pools complete with a wading pool and heated spa. Individual apartment units feature built-in entertainment centers, walk-in closets, ceiling fans, large picture windows with adjustable blinds, and private balconies or patios with storage closets. In addition, select units feature built-in bookshelves, washer and dryer connections, vaulted ceilings and separate dining rooms. The unit mix consists of 172 one-bedroom units and 112 two-bedroom units. The net rentable area of the property is approximately 193,000 square feet, with an average unit size of 681 square feet. Harbour Landing is currently 92 percent occupied.

Property Information

- Address: 8033 South Padre Island
Corpus Christi, TX 78412
- Building Type: Multifamily
- Year Built: 1986
- Total SF: 193,288
- Total Apt. Units: 284
- % Occupied: 92%

Financial Information

- Offering Purchase Price: \$18,722,500
- Offering Price Per Unit: \$65,924
- Purchase Date: 3rd Quarter 2007
- Offering LTV: 59.09%
- Offering Price Cap Rate: 6.21%
- 1st Year Cash Flow: 6.24%
- Loan Terms: The loan is assumed to have a fixed interest rate of 5.96% and a 10 year term, with years one through five interest only with a 30 year amortization schedule thereafter. **The expected interest rate of 5.96% reflects a buy down of the interest rate by paying a fee equal to 4.43% of the loan or \$489,910, which will reduce the effective interest rate by 62 basis points for the duration of the term of the loan.**

Please see the Confidential Private Placement Memorandum for additional information and risk disclosures about investment in this property. This material has been prepared for informational purposes only; it is not intended to provide and should not be relied upon for accounting, legal or tax advice. Always remember that each property is unique and past performance is no guarantee of future results.

Unit Amenities

- Central heat and air conditioning
- Ceiling fans
- Built-in entertainment centers
- Large picture windows with adjustable blinds
- Walk-in closets
- Private balconies or patios with storage closet
- Frost-free refrigerators
- Electric stoves
- Dishwashers and pantries
- Cable and high speed internet access available
- Built-in bookshelves*
- Full-size washer and dryer connections*
- Vaulted ceilings*
- Separate dining rooms*

*Select Units

Community Amenities

- Two swimming pools, wading pool and heated spa
- Fitness center with state-of-the-art exercise equipment
- Main pool areas with fountain, picnic areas, picnic tables and lounges
- Spacious clubhouse with vaulted ceilings, full-size kitchen and media center
- Resident business center
- Fenced and lighted tennis court
- Two laundry facilities
- Full-size basketball court
- Grassy courtyard area with barbecues and picnic tables
- Enclosed children's playground

Unit Breakdown

Type of Unit	Number of Units	Unit Size in SF	Average Effective Rent Per Unit
1 BD/1 BA	76	468	\$534
1 BD/1 BA	96	607	\$629
2 BD/2 BA	40	850	\$765
2 BD/2 BA	72	909	\$829
Total/Average	284	681	\$674





Location Information¹

Founded in 1839 as a trading post, the South Texas city of Corpus Christi was the scene of Mexican War operations and U.S. Civil War skirmishes. The arrival of the railroad in 1881 stimulated a land boom. The exploitation of gas (1923), development of a deepwater port (1926), and discovery of the Saxtet oil field (1939) laid the city's economic foundation. Today, Corpus Christi has a thriving economy based largely on energy and tourism. Resort facilities are based on the bay and the coastal barrier islands, including Padre Island. The city is also the site of the Corpus Christi Naval Air Station, a branch of Texas A&M University, and home to the sixth-busiest port in the United States. Unemployment is very low, 4.0 percent as of May 2007, significantly less than the national average.

1. Source: Bureau of Labor Statistics, U.S. Department of Labor

See the Confidential Private Placement Memorandum for more information about this specific market. Opinions and estimates contained herein constitute the judgment of the source or the sponsor and are subject to change without notice, as are statements of market trends, which are based on current market conditions. We believe the information provided herein is reliable, but do not warrant its accuracy or completeness.

Apartment Market¹

- Per Hendricks and Partners' First Quarter 2007 Apartment Update, the vacancy rate in Corpus Christi was 5.4 percent in the first quarter 2007, and average rents increased by 3.2 percent in 2006 and 1.5 percent in the first quarter 2007.
- Corpus Christi has a tight apartment market, with projected population increases and limited new construction. Occupancy levels and rental rates are expected to rise.

Economic Trends¹

- The population of Corpus Christi has been increasing since 2001 and is expected to reach 416,600 by 2007, according to the United States Census Bureau. The population is forecasted to continue to grow and reach 430,400 people by 2010.
- The tourism industry is thriving in Southeast Texas; 16 new hotels, roughly 1,000 new rooms, are scheduled to be built in the near future. Healthcare and retail are expanding, while new roadways are being built to accommodate population growth. In addition, large-scale mixed-use projects are positioning the area for future expansion, and the planned La Quinta Container Terminal is expected to create thousands of jobs and increase trade volume capacity.

1. Sources: U.S. Department of Labor, Bureau of Labor Statistics; U.S. Census Bureau; the Grubb & Ellis Corpus Christi Portfolio; and Hendricks & Partners.





TIC Offering

- Offering Size: \$7,660,000
- Price Per 1% Ownership: \$76,600 equity and \$110,625 assumed debt
- Minimum Investment per SPE: 3.00% = \$229,800 equity and \$489,910 assumed debt for a total purchase price of \$561,675
- Suitability: Accredited Investors Only

LLC Offering

- Offering Size: \$383,000
- Price Per Unit: \$5,000
- Minimum Investment: \$25,000
- Suitability: Accredited Investors Only

These cash flow projections were created by the sponsor and are based on a number of assumptions and real estate analysis techniques. The results are necessarily hypothetical; the underlying assumptions may not be accurate, the results shown may not occur, and your performance could vary significantly. This material must be read in conjunction with the Confidential Private Placement Memorandum, which contains additional important risk disclosures and more specific information about the assumptions made.

Property Strengths

- The property is located on South Padre Island Drive, Corpus Christi's main east-west route and primary retail corridor.
- The property is approximately two miles from Texas A&M University-Corpus Christi, a member of the Texas A&M University System with approximately 8,600 students.
- The property is nearly three miles from Padre Staples Mall, the city's largest shopping mall, and Moore Plaza, a premier retail power center located on 50 acres.

Business Plan

- Preserve the capital investment.
- Realize income through the acquisition, operation and sale of the property.
- Make monthly distributions, which may be partially tax-deferred as a result of depreciation and amortization expenses.
- Within approximately 10 years, profitably sell the property based on the value added through effective management and operation of the property.
- **There is no guarantee that the business plan will be successfully executed, that the property's value will be enhanced, or that the property will be sold within the planned time period.**
- **There can be no assurances that the property manager will be able to renew expiring leases or lease vacant spaces in the property.**
- **The purchase of the property is contingent on the purchase of Baypoint Resort, another apartment community owned by the seller.**
- **The impending military base closure in Corpus Christi could result in decreased rental demands at the property.**
- **Competition from nearby apartment communities and vacant sites for potential future development could negatively impact the financial performance of the property.**
- **An affiliate of the manager recently acquired an apartment community near the property, which could result in a conflict of interest.**
- **There can be no assurances that the property manager will be able to renew expiring leases or lease vacant spaces in the property.**

TIC Projected Annual Cash-on-Cash Yield									
\$229,800 Investment Per SPE									
Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
6.24%	6.27%	6.34%	6.48%	6.37%	6.48%	6.59%	6.71%	7.10%	7.64%

LLC Projected Annual Cash-on-Cash Yield									
\$25,000 Investment									
Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
6.24%	6.27%	6.34%	6.48%	6.37%	6.48%	6.59%	6.71%	7.10%	7.64%

Projected Annualized Returns		
Terminal Cap Rate	TIC Return	LLC Return
6.50%	13.10%	12.26%
6.75%	12.00%	11.33%
7.00%	10.98%	10.46%
7.25%	10.04%	9.66%
7.50%	9.15%	8.90%
Terminal Cap Rate Sensitivity		

- Interests in this property are speculative and involve a high degree of risk; investors should be able to bear the complete loss of their investment.
- SOME INTERESTS ARE SUBJECT TO RECOURSE LIABILITY, i.e., tenants-in-common will be responsible for providing any cash needed in the future in connection with the property.
- There are restrictions in transferring interests; the interests are not liquid investments.
- There are a number of significant tax risks and tax issues involved with the purchase of an interest in this property; investors should consult their own tax advisors and legal counsel.
- The direct or indirect purchase of real property involves significant risks, including market risk and risks specific to a given property.
- The purchase of real property with other investors, e.g., as a tenant-in-common, presents risks related to the relationship with those other investors.
- Investment in this property is expected to be leveraged; leverage may increase volatility and may increase the risk of investment loss.
- The manager has broad authority and discretion over the property and the terms of financing; the various fees paid to the manager and its affiliates are significant and may offset profits related to the ownership and operation of the real estate.
- Cash distributed to you may constitute a return of your own capital and may be paid from proceeds of the offering, e.g., reserves.

Triple Net Properties, LLC has time-tested experience in real estate syndications, acquisitions, development, construction, leasing and property management. Triple Net currently manages a growing portfolio of over 37 million square feet of property in 28 states valued at more than \$5.1 billion. Although past performance is no guarantee of future results, Triple Net Properties, LLC has an unparalleled track record and has acquired 277 properties to date. Triple Net and affiliates have sold 100 properties for over \$2.3 billion since 2000.

* Prior performance is not an indication of future results. The projections and the anticipated rate of return are only for TIC/1031 investors and LLC investors and are estimates based on the specific assumptions more fully described in the Private Placement Memorandum (PPM) and any supplements accompanying the PPM. There is no guarantee that the assumptions used in the projection will be achieved. Please review the entire PPM as supplemented prior to investing. This material does not constitute an offer and is authorized for use only when accompanied or preceded by a NNN Harbour Landing, LLC PPM dated July 6, 2007. Reference is made to the PPM for a statement of risks and terms of the offering. The information set forth herein is qualified in its entirety by the PPM. All potential investors must read the PPM and no person may invest without acknowledging receipt and complete review of the PPM.



Triple Net Properties, LLC is a wholly-owned subsidiary of NNN Realty Advisors, Inc., a nationwide commercial real estate asset management and services firm.

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