

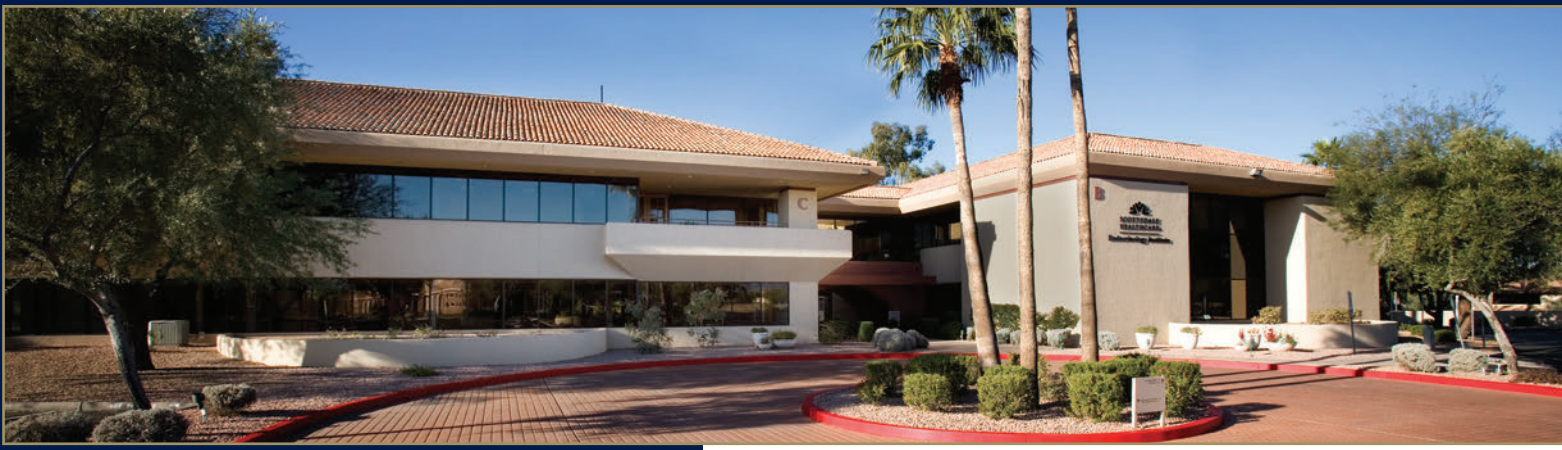
NNN NORTH SCOTTSDALE MEDICAL, LLC

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 February 21, 2007.

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



PROPERTY SUMMARY

North Scottsdale Medical consists of three medical office properties totaling approximately 154,136 rentable square feet located in Scottsdale, Arizona, part of the Phoenix metropolitan statistical area. Two of the properties are contiguous, with the third noncontiguous property located approximately 1.2 miles away. Ideally located within two blocks of the intersection of the recently completed Loop 101 Freeway, the properties are highly visible with convenient ingress and egress while providing adjacency to the Scottsdale Healthcare Shea Hospital and research facility in Phoenix at the Shea Campus. Collectively, the properties are 93% leased to a variety of healthcare-related tenants.

PROPERTY INFORMATION

- ◆ Address: 10752 N. 89th Place (Edwards I)
8952 E. Desert Cove Dr. (Edwards II)
9700 N. 91st St. (Mountain View)
Scottsdale, AZ 85260
- ◆ Building Type: Medical Office Buildings
- ◆ Built: 1985, 1986, 1997
- ◆ Total SF: 154,136
- ◆ % Leased: 93%

FINANCIAL INFORMATION

- ◆ Offering Purchase Price: \$52,615,000
- ◆ Offering Price Per SF: \$341.35
- ◆ Purchase Date: First Quarter, 2007
- ◆ Offering LTV: 69.37%
- ◆ Offering Price Cap Rate: 5.41%
- ◆ 1st Year Cash Flow: 6.75%
- ◆ Loan Terms: The Loan is assumed to have a fixed interest rate of approximately of 5.52% and a ten year term. The Loan is expected to be interest only for the entire term of the Loan. **The expected interest rate of approximately 5.52% reflects the Manager's intention to buy down the interest rate by paying a fee equal to 2% of the Loan amount, which will reduce the interest rate by 26 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.*

MAJOR TENANTS (62 TOTAL TENANTS)

SCOTTSDALE MEDICAL IMAGING LTD.

Sq. Ft.: 30,318 Lease Exp.: 02/2017

Scottsdale Medical Imaging Ltd. (SMIL) provides examinations including CAT scans, Fluoroscopy, Vascular & Interventional Radiology, PET scans, and X-rays. SMIL has been servicing the community of Scottsdale for more than two decades and is the largest radiology group in the area with ten separate locations for imaging. The Mountain View building serves as the center of the information technology network for SMIL.

SCOTTSDALE HEALTHCARE REALTY CORP.

Sq. Ft.: 15,288 Lease Exp.: 10/2013

Scottsdale Healthcare Realty Corp. manages the real estate assets of Scottsdale Healthcare, a "not-to-profit" organization that has been an organizational driving force behind the Scottsdale healthcare system. In addition to asset management, Scottsdale Healthcare Realty Corp. has also been responsible for the development of new and existing properties. The Mountain View property serves as the headquarters for Scottsdale Healthcare Realty Corp. and is marketed as building 11 in the Shea Hospital Campus.

OFFICE MARKET¹

- ◆ Average asking lease rates for existing product increased during the fourth quarter to \$24.16 per square foot, up from \$23.32 at the end of the third quarter.
- ◆ Net absorption for the Metropolitan Phoenix office market through year-end was 3.2 million square feet compared to 3.1 million square feet for this same period one year ago.

ECONOMIC TRENDS

- ◆ The Arizona unemployment rate dropped to 4.1 percent in November compared to 4.7 percent one year ago, according to the Arizona Department of Economic Security.¹
- ◆ Arizona's economy continued to appear vibrant in November, with six industry sectors reaching all-time highs. These sectors are: construction; trade; transportation and utilities; professional and business services; educational and health services; leisure and hospitality and other services.¹
- ◆ The Phoenix-Mesa-Scottsdale Metropolitan Area has been ranked #2 in the top 25 best cities for jobs in the United States for the second consecutive year according to Forbes.²

1. CB Richard Ellis, Phoenix Office MarketView, 4Q 2006.

2. Forbes, www.forbes.com, The Best Cities To Get A Job

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 ten 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 is a large dependence on two tenants that collectively lease approximately 30% of the Property.**
- ◆ **Unless extended, leases with all of the tenants, representing 59% of the Property, will expire within the next five calendar years and leases representing 3.35% contain early termination options.**

TIC OFFERING

- ◆ Offering Size: \$16,115,000
- ◆ Price Per 1% Ownership: \$161,150 equity and \$365,000 assumed debt
- ◆ Minimum Investment per SPE: 3.00% = \$483,450 equity and \$1,095,000 assumed debt for a total purchase price of \$1,578,450
- ◆ Suitability: Accredited Investors Only

LLC OFFERING

- ◆ Offering Size: \$2,630,750
- ◆ Price Per Unit: \$5,000
- ◆ Minimum Investment: \$25,000
- ◆ Suitability: Accredited Investors Only



LOCATION INFORMATION ¹

As one of the most acclaimed tourist areas in the state of Arizona, Downtown Scottsdale provides an eclectic mix of southwestern and contemporary art galleries, specialty retail, upscale dining, active nightlife and museum elements for residents and visitors alike. According to Economy.com, population growth averaged 3.3% per year over the five-year span concluding with 2005, an exceedingly strong rate representing the net addition of 117,200 persons annually on average. The Downtown area is home to major businesses and corporations including: Scottsdale Healthcare, McKesson, and E-Funds.

1. Scottsdale City Official Website, www.scottsdaleaz.gov

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.

TIC CASH FLOW PROJECTIONS: \$483,450 INVESTMENT PER SPE

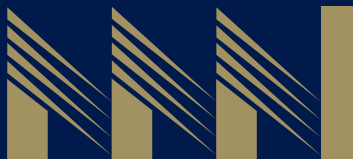
Year	1	2	3	4	5	6	7	8	9	10	Total
Projected Cash-on-Cash Return	6.75%	7.07%	7.36%	7.67%	8.00%	8.56%	9.72%	10.86%	11.70%	12.88%	
Cash Distribution	\$32,627	\$34,176	\$35,590	\$37,087	\$38,697	\$41,398	\$47,001	\$52,500	\$56,548	\$62,290	\$437,914
Projected Profit											\$158,227
Return of Capital											\$483,450
Total											\$1,079,590
Projected Total Annualized Return (based on a terminal cap rate of 7.75%)											12.33%

LLC CASH FLOW PROJECTIONS: \$25,000 INVESTMENT

Year	1	2	3	4	5	6	7	8	9	10	Total
Projected Cash-on-Cash Return	6.75%	7.07%	7.36%	7.67%	8.00%	8.50%	9.39%	10.36%	11.07%	12.08%	
Cash Distribution	\$1,687	\$1,767	\$1,840	\$1,918	\$2,001	\$2,125	\$2,347	\$2,589	\$2,767	\$3,019	\$22,061
Projected Profit											\$6,458
Return of Capital											\$25,000
Total											\$53,519
Projected Total Annualized Return (based on a terminal cap rate of 7.75%)											11.41%

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.

- ◆ 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 these properties; 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

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 32.5 million square feet of property in 28 states valued at over \$4.3 billion. Although past performance is no guarantee of future results, Triple Net Properties, LLC has an unparalleled track record and has acquired 234 properties to date. Triple Net and affiliates have sold 83 properties valued at over \$1.80 billion since 2000.*

1551 N. Tustin Avenue ◆ Suite 300 ◆ Santa Ana ◆ California ◆ 92705
(877) 888-7348 ◆ www.1031NNN.com

Securities Offered Through NNN Capital Corp., Member NASD/SIPC
4 Hutton Centre Drive ◆ Suite 700 ◆ South Coast Metro ◆ California ◆ 92707 ◆ (714) 667-8252
February 21, 2007

* 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 North Scottsdale Medical, LLC PPM dated February 21, 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.