



1000 WEST APARTMENTS | 1000 BONIETA HARROLD DRIVE | CHARLESTON, SOUTH CAROLINA 29414

THE PROPERTY

- A 240 unit Class A garden style apartment community completed in 2009; the property is comprised of twelve 2-and 3-story residential buildings on approximately 15 acres, offering a variety of 1, 2 and 3 bedroom units.
- Community amenities include a resort style saltwater swimming pool, outdoor gas grills with a picnic area, clubhouse, media and entertainment lounge, cyber café, java bar, fitness center with cardio and weight equipment, detached garages, dog park, car wash and boat parking.
- Units feature gas range/oven, built-in microwave, arched interior doorways, walk-in closets, garden tubs, built-in computer desks and patios/balconies. Select units feature kitchen islands, pantries, built-in shelving, walk-in showers, fireplaces with overhead niches, storage unit attached to balcony/patio and direct entry garages.

THE INVESTMENT OPPORTUNITY

- Charleston is adding jobs faster than the South and the nation; hiring is broad-based but includes strong growth in the tourism, healthcare and manufacturing industries as well as in the expansion of the Port of Charleston.
- Located just off Highway 17, residents enjoy quick access to downtown and to some of the major employers such as Boeing, Mercedes Benz, Volvo, Bosch, Medical University of South Carolina and Blackbaud.
- Charleston was recently ranked 3rd for 'Best Cities for Jobs' by Forbes and 1st for 'Best City in the World' by Travel + Leisure.
- 1000 West's distinct southern charm, coupled with its diverse amenities attracts both millennials and baby boomers.
- Over the past five years, the Charleston MSA population has expanded by more than 10%, making it one of the fastest expanding metro areas in the country

This material does not constitute an offer and is authorized for use only when accompanied or preceded by a definitive confidential private placement memorandum. Reference is made to the memorandum for a statement of risks and terms of the offering. The information set forth herein is qualified in its entirety by the memorandum. All potential investors must read the memorandum and no person may invest without acknowledging receipt and complete review of the memorandum.

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BUSINESS STRATEGY

The Master Tenant objectives will be to (i) make fixed rent payments and percentage rent payments, (ii) maximize rental increases, 'other income' and occupancy, (iii) improve new lease closing ratios and resident retention, (iv) reduce operating expenses, and (v) prepare the property to be sold when the market dictates.

Risks

All real estate investments have risks. There is no assurance that some or all of these objectives will be met. There are substantial risks in any Investment Program. See "Risk Factors" in the accompanying Private Placement Memorandum for a discussion of the risk relevant to this offering.

Maximize Revenue & Occupancy

- Implement aggressive marketing campaigns to reach out to local corporations, businesses and vendors to obtain referrals, activity sponsorships and reciprocal business opportunities.
- Enhance the Project's website and internet marketing by engaging an internet firm specializing in website design and search engine optimization. The utilization of a search engine optimization firm will improve the Project's online presence resulting in more cost efficient and cost effective marketing. The firm will design and develop a new website and provide community tailored paid internet search advertising campaigns.
- Install a state-of-the-art computerized revenue management program that collates market and submarket data and establishes daily pricing for all units based on a number of primary factors including inventory, days on market, move-in date and location. This type of computerized revenue enhancement system is gaining wide acceptance in the multi-family management industry as being a cost effective software program that will manage pricing in an effort to increase the financial performance of the Project.
- Introduce and monitor more aggressive increases in other income items to maximize recovery of utility costs, trash removal fees and pest control fees.
- Introduce and monitor more aggressive increases in other income fees such as administrative fees, application fees, transfer fees, pet deposits and pet rent.
- Implement a unit replacement program to include faux wood vinyl floors on all first floor units and a stainless steel appliance package on all units to allow the property to remain competitive in the submarket and to increase rental rates on the units.
- As an inducement to have the Master Tenant enter into the Master Lease, the Trust will pay for a full exterior paint at the property and all necessary wood replacements.
- As an inducement to have the Master Tenant enter into the Master Lease, the Trust will pay to maintain the curb appeal and reduce maintenance costs by installing new landscaping.
- As an inducement to have the Master Tenant enter into the Master Lease, the Trust will pay for repairs and replacements to the pool area(s) including deck and pool resurfacing, installation of decorative pool tiles, and installation of new contemporary pool furniture.
- As an inducement to have the Master Tenant enter into the Master Lease, the Trust will pay for renovation of the existing clubhouse, office(s), business center and fitness center including implementation of a new paint color scheme as well as installation of new contemporary furniture, art work, fitness equipment and design accessories.

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Implement Asset Management Programs

- Maximize occupancy through implementation of a multi-platform marketing program including a focus on website and internet advertising, utilization of print media if applicable and development of new marketing brochures, signage, banners, leasing materials and website.
- Leverage “economy of scale” cost effective pricing structure on contractor and vendor services, insurance and maintenance supply inventory.

Improve New Lease Closing Ratios and Resident Retention

- Hire a nationally recognized third-party property management company to oversee an on-site management team of experienced and enthusiastic professionals.
- Install a lease management system that targets the number of monthly lease expirations to approximately 10% of the units.
- Install a reputation management system that enhances the property’s on-line rating scores on industry rating sites as well as multiple search engine rating sites. In today’s technology driven market, a property’s on line rating scores are critical search components for prospective residents.
- Conduct regular meetings between the Master Tenant’s asset manager(s) and the regional third-party staff reviewing performance reports including, but not limited to, new leasing activity, retention activity, pricing matrix, marketing programs and capital projects.
- Hold regular resident functions to foster a sense of community thereby increasing tenant retention.

- Perform annual competitive bidding of contracts and services.
- Implement an annual property tax review and appeal program utilizing recognized national and/or local area tax consultants.
- Implement an annual property insurance review utilizing recognized national insurance agencies.



CHARLESTON, SOUTH CAROLINA

The current estimated population of the Charleston-North Charleston-Summerville Metropolitan Statistical Area (Charleston MSA) is 750,593. The city of Charleston, known for its Southern charm and hospitality, is one of the fastest growing metropolitan areas in the nation. New residents are attracted to the area due to the growth of employment opportunities and a high quality of life. The area’s economic mix is diverse, combining one of the busiest container ports along the Southeast and Gulf coasts, a world-recognized visitor industry, a thriving airport, one of the Southeast’s most impressive medical hubs, a well-established base of national and international manufacturers, as well as a large military presence. The Charleston metro’s dynamic economy, alongside the natural beauty, world-class culture and historic charm, has led to a highly sought after destination for businesses, potential residents and tourists.

Automaker Mercedes-Benz recently broke ground on its \$500 million expansion of its Charleston facility. The automaker has long been one of the region’s largest employers, and the new investment will create up to 1,300 jobs at the plant and 400 positions with local suppliers. Mercedes’ expansion will be closely followed by Volvo, which is investing \$500 million to build a new production facility in the metro area. The two automakers will create thousands of high-paying jobs and entice other auto part suppliers to relocate to the region. Another major employer in the area, Boeing South Carolina, is home to the company’s second 787 Dreamliner final assembly and delivery facility. Boeing recently opened a state-of-the-art decorative paint facility, bringing its total square footage of commercial space in North Charleston to 4million.

Since 2000, the share of residents age 25 and over with at least a bachelor’s degree has soared. This younger, well educated population will support the burgeoning tech base, among other growing sectors, in Charleston. Blackbaud, Inc., a top tech employer in the metro area, is investing \$150 million in its Charleston headquarters over the next several years, bringing with it 300 new jobs. Medical University of South Carolina (MUSC), one of the region’s largest employers, has a combined annual economic impact of \$3.8 billion on the tri-county area. More than 13,400 workers are employed by the MUSC enterprise, which comprises the medical center, physicians group and university.

Local Sub-Market

The property is located in the West Ashley submarket, approximately 10 miles from downtown Charleston. West Ashley’s interconnectivity with Interstate 526, Sam Rittenburg Blvd. and Highway 17 provide easy access to the North Charleston area, downtown Charleston, Charleston peninsula and the Charleston International Airport. West Ashley is a rapidly growing submarket due to its affordability and proximity to the area’s major employers. Noteworthy employers within a 20-minute drive of 1000 West are Mercedes-Benz, Boeing, the MUSC and Blackbaud Inc.

Several retailers and eateries and the West Ashley Park, the largest municipal park in Charleston, are just a short drive from the property. The area immediately surrounding 1000 West (1-3 mile radii) boasts strong demographics with population growth, home values, household income and percentage of individuals with college degrees all exceeding the Charleston MSA demographics. The Charleston City Council recently formed a committee focused on attracting residents and businesses to the neighborhood. Over 25% of the residents within a 3-mile radius of the property are within the prime rental age of 24-35. The average income of the residents at 1000 West is over \$60,000 and the top resident employers are Boeing and MUSC.

CHARLESTON’S TOP 15 EMPLOYERS

Rank	Employer	Employees
1	Joint Base Charleston	36,000
2	MUSC Medical Center	12,200
3	Boeing Co.	7,500
4	Medical University of South Carolina	5,406
5	Roper St. Francis	5,100
6	SPAWAR – Atlantic	4,100
7	Ralph H. Johnson VA Medical Center	2,250
8	Trident Health	2,237
9	Rober Bosch, LLC	1,800
10	College of Charleston	1,566
11	Kiawah Island Golf Resort	1,500
12	SAIC Inc.	1,500
13	Trident Technical College	1,500
14	Blackbaud Inc.	1,300
15	Santee Cooper	1,233

Source: Moody’s Analytics Précis U.S. Metro Report – July 2016



DEMOGRAPHICS

	Charleston MSA	1-Mile	3-Mile	5-Mile
2010 – 2016 Population Growth	12.94%	61.16%	28.87%	16.63%
2016 – 2021 Population Growth	8.47%	13.95%	11.34%	9.13%
2016 Estimated Population	750,593	4,617	26,598	72,962
Average Age	38.2	37.2	38.5	39.1
% of Age 25+ w/ College Deg.	41.17%	58.36%	55.44%	47.86%
Prime Rental Age 18-34	24.76%	31.41%	25.04%	25.26%
Average Household Income	\$73,122	\$91,839	\$81,254	\$71,541
% of Households > \$100K Income	22.58%	34.76%	30.23%	22.95%
Median Home Value	\$205,087	\$226,854	\$228,858	\$211,219

Source: The Nielsen Company, 2016

UNIT MIX

UNIT TYPE	%	UNITS	TOTAL SF	SF PER UNIT
1BR/1BA	15%	36	27,792	772
1BR/1BA	5%	12	9,276	773
1BR/1BA	20%	48	41,712	869
2BR/2BA	30%	72	79,416	1,103
2BR/2BA	20%	48	54,192	1,129
3BR/2BA	10%	24	31,920	1,330
TOTAL / AVERAGE	100%	240	244,308	1,018*

*Total square footage divided by total number of units

FLOOR PLAN SAMPLES



1 Bedroom | 1 Bath



1 Bedroom | 1 Bath



1 Bedroom | 2 Bath



2 Bedroom | 2 Bath



2 Bedroom | 2 Bath



3 Bedroom | 2 Bath

SUPERIOR AMENITIES

Community Amenities:

- Media & Entertainment Lounge Featuring: Indoor/Outdoor Fireplace
Flat Screen 46" Television with Apple TV
iPOD Docking Station & Custom Sound
- Cyber Café featuring:
Apple Computers
Print/Scanning/Copying Functions
High Speed & Wireless Internet Access
- Complimentary Java Bar
- Detached Garages
- Concierge Service
- Cardio and Wellness Center
- Clothing Care Facility
- Expansive live oaks throughout the community
- Village Green Corridor providing Scenic Views for Select Apartment Homes
- Resort Style Salt Water Swimming Pool
- Outdoor Fireplace
- Stainless Steel Gas Grills

Unit Amenities:

- Black-on-black appliances
- Built-in microwaves
- Ceiling fans
- Washer/dryer connections
- Upgraded maple cabinetry
- Nine foot ceilings
- Wood like plank flooring *
- Tile entry and flooring *
- Soaking garden tub
- Arched entryways
- Built in bookcases
- Built in computer desks prewired for high speed internet access
- Fireplaces with TV niche *
- Open kitchens with island/bar
- Private patios and balconies
- Stand-up shower
- Screened porch *

*In select apartments

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The Memorandum contains more complete information regarding the investment including the following risk factors:

- There will be no public market for the Interests.
- There is no specified time that the investment will be liquidated.
- Delaware Statutory Trusts are a relatively new vehicle for real estate investment and are inflexible vehicles to own real property.
- Investors will have no voting rights and will have no control over management of the Trust or the Project.
- There is no guarantee that investors will receive any return.
- Distributions may be derived from sources other than earnings.
- The Project will be subject to a Master Lease with an Affiliate of the sponsor.
- The Project will be subject to the risks generally associated with the acquisition, ownership and operation of real estate including, without limitation, environmental concerns, competition, occupancy, easements and restrictions and other real estate related risks.
- The Project will be leveraged.
- The Manager, the Master Tenant and their Affiliates will receive substantial compensation in connection with the Offering and in connection with the ongoing management and operation of the Project.
- The Manager, the Trust, the Master Tenant and their Affiliates will be subject to certain conflicts of interest.
- An investment in the Interests involves certain tax risks.

MARKETING CONTACTS:

Belden Brown (949) 263-7905 Senior Vice President & National Sales Manager	Thomas B. Jahncke (949) 263-7904 Senior Vice President	Adriana Olsen (949) 263-7933 Vice President	Andy Wang (949) 263-7934 Vice President	Brad McCord (949) 263-7935 Registered Marketing Representative	Marco Vitulli (949) 263-7936 Registered Marketing Representative
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