



MARISOL VIERA



MARISOL AT VIERA APARTMENTS | 2439 CASONA LANE | VIERA, FLORIDA 32940

THE PROPERTY

- A 282 unit Class A garden style apartment community completed in 2016; the property is comprised of 8 3-story buildings on approximately 13 acres offering a variety of 1, 2 and 3 bedroom units.
- Residents enjoy a full range of amenities including a clubhouse with culinary-inspired kitchen and bar, swimming pool, fitness center with yoga area, two poolside bars and outdoor kitchens, private club room, business center and conference room, electric car charging station and dog park with outdoor grooming station.
- Unit finishes include 9-foot ceilings, granite countertops, faux wood flooring, tile backsplash in kitchens, stainless steel appliances, vanities in bathrooms and private balconies.

THE INVESTMENT OPPORTUNITY

- Marisol is ideally situated between two of the area's largest demand drivers, Port Canaveral/Cape Canaveral and Melbourne.
- Average income of the residents is over \$120,000. Top resident employers include Lockheed Martin, Harris Corp., Northrop Grumman and Brevard County.
- The average vacancy rate in Melbourne over the last 3 years was 2.9% and REIS is projecting an average vacancy rate of 2.8% through 2020.
- The effective rent growth for the Melbourne MSA has averaged 5.3% annually for the last 6 years.
- The local GDP growth, employment growth and personal income growth projections for the Melbourne MSA are projected to outpace the US for the next 5 years.

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 internet marketing by engaging an internet firm specializing in 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 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.
- Install additional Landscape at property entrance and amenity areas to enhance curb appeal.
- Install Dog Wash Station and Sail Shade for Dog Park to enhance pet friendly atmosphere.

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.

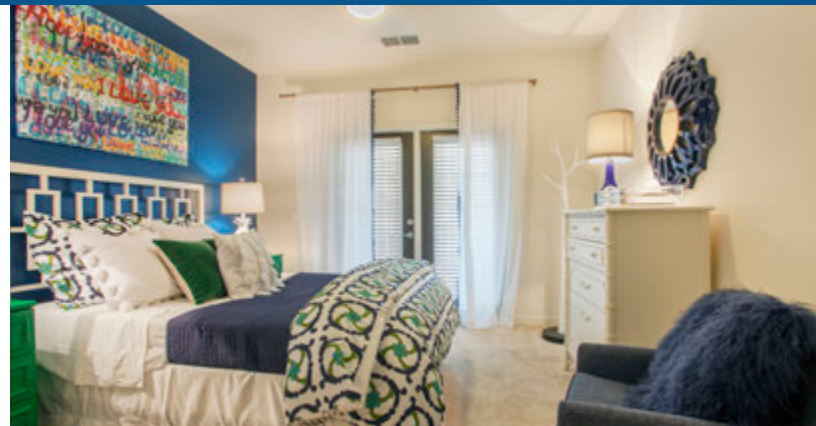
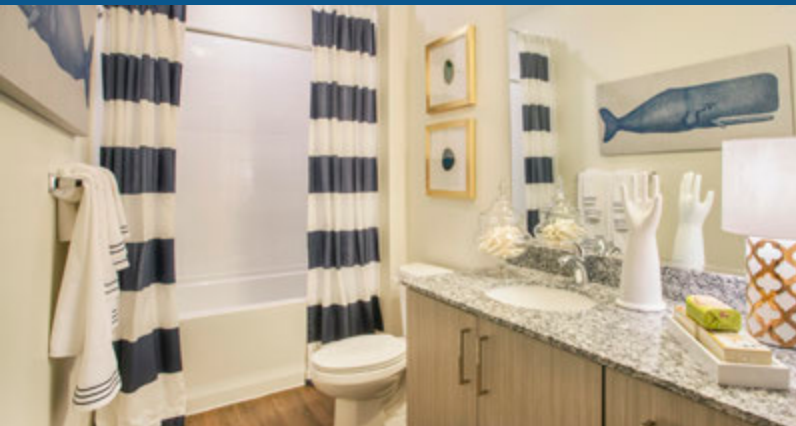
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Implement Asset Management Programs

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





MELBOURNE, FLORIDA

The current population of the Palm Bay-Melbourne-Titusville Metropolitan Statistical Area (the “Melbourne MSA”) is approximately 565,824. Florida’s east coast region, often referred to as “Space Coast,” is home to Port Canaveral, one of the largest cruise ports in the world with various cruise lines, deep-sea fishing charters and waterfront dining and entertainment. Port Canaveral is adjacent to Cape Canaveral Air Force Station. Located near the air force station is the Kennedy Space Center, which is National Aeronautics and Space Administration’s (NASA) field center. Kennedy Space Center is a major tourist destination and is one of only 3 areas in the country that currently conducts orbital launches. Space Coast anchors the eastern end of Florida’s high tech corridor and is home to several industries such as aerospace and aviation, advanced security, communications, electronics, emerging technologies, homeland security and defense, and high-tech manufacturing.

The Space Coast is home to companies such as Boeing, Embraer Jets, General Electric, Lockheed Martin, Northrop Grumman, Raytheon, L3, Rockwell Collins and Harris Corporation. Increased global demand for satellite-provided internet connectivity will keep Florida’s Space Coast growing even absent significant defense spending. Lockheed Martin, OneWeb Satellites, Blue Origin, Harris Corporation and Thales USA are all expanding and each hiring approximately 300 new employees. Embraer just opened a 236,000 square foot operation in Melbourne to accommodate the assembly, painting and delivery of the company’s latest executive jet aircraft. The company has delivered over 170 jets out of Melbourne, valued at over \$1billion, and recently announced plans of adding 600 new jobs in the next 4 years. Harris Corporation has entered into a \$700 million contract with the state of Florida to provide a state-wide communications network that will connect public safety, law enforcement, public schools and other state and local government agencies. There are three major hospitals/health service companies in the area – Health First, Health Management Associates and Parrish Medical Center – that combined employ over 10,000 employees.

Moody’s is forecasting the local GDP/GMP growth to exceed the national GDP for each of the next 5 years. The local employment growth is expected to outpace the national employment growth by more than 15% over the next 5 years and personal income growth is expected to outpace the national rate through 2021.

Local Sub-Market

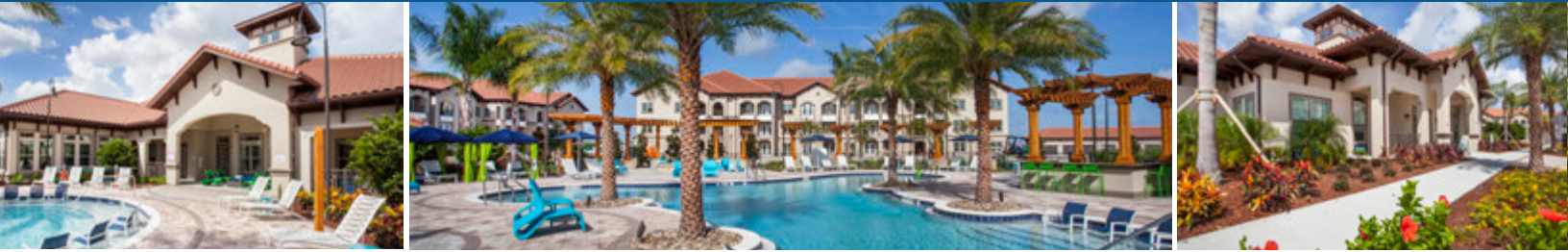
The property is located in Viera, approximately 50 miles southeast of Orlando and within the Melbourne MSA. Viera is a 22,000-acre master-planned community that is home to various shops and restaurants, A-rated schools, two championship golf courses, the Brevard Zoo, Space Coast Stadium (home of the Washington Nationals Spring Training) and several community parks. Marisol is ideally situated midway between Port Canaveral to the northeast and Melbourne proper to the south with convenient access to Interstate 95, State Road 528 (Beachline Expressway) and US 1. Located within walking distance from the property is The Avenue Viera, an outdoor lifestyle 600,000 square foot center, consisting of a dynamic mix of premier national retailers, select local merchants and specialty restaurants. The area immediately surrounding Marisol (1-5 mile radius) boasts some of the strongest demographics in the region with population growth, home values, household income and percentage of individuals with college degrees all exceeding the Melbourne MSA demographics. U.S. News & World Report ranked Brevard County Public Schools among the top high schools in the nation.

The vacancy rate for the apartment market near Marisol has averaged 2.9% and REIS is projecting an average vacancy rate of 2.8% through 2020. Axiometrics reports the average effective rent has increased 5.3% annually for the last 6 years and projects the average effective rent growth to be over 3.5% for the next 2 years.

TOP 15 EMPLOYERS (PALM BAY - MELBOURNE - TITUSVILLE)

Rank	Employer	Employees
1	Patrick Air Force Base	7,933
2	Health First Inc.	7,285
3	Harris Corp	6,700
4	45th Space Wing	4,174
5	Publix Supermarkets	2,850
6	Wuesthoff Health Systems	2,400
7	NASA	2,067
8	Space Gateway Support	1,760
9	Northrop Grumman/Modern Systems	1,650
10	Rockwell Collins Inc.	1,150
11	Parrish Medical Center	1,075
12	CSR Computer Sciences Raytheon	1,050
13	United Launch Alliance	1,040
14	The Boeing Co.	1,010
15	Brevard Community College	960

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



DEMOGRAPHICS

	Melbourne MSA	1-Mile	3-Mile	5-Mile
2010 – 2016 Population Growth	4.13%	9.84%	8.93%	9.29%
2016 – 2021 Population Growth	4.11%	7.51%	7.12%	6.69%
2016 Estimated Population	565,824	4,708	30,642	70,121
Average Age	44.6	50.2	48.1	45.8
% of Age 25+ w/ College Deg.	38.20%	52.77%	55.08%	53.97%
Prime Rental Age 18-34	18.60%	15.34%	14.98%	16.21%
Average Household Income	\$61,508	\$79,724	\$85,450	\$85,541
% of Households > \$100K Income	16.42%	24.63%	30.54%	30.62%
Median Home Value	\$152,266	\$211,151	\$220,300	\$223,021

Source: The Nielsen Company, 2016

UNIT MIX

UNIT TYPE	%	UNITS	TOTAL SF	SF PER UNIT
1BR/1BA	8.50%	24	14,976	624
1BR/1BA	17.00%	48	36,624	763
1BR/1BA	23.40%	66	51,480	780
2BR/2BA	26.60%	75	84,375	1,125
2BR/2BA	3.20%	9	10,242	1,138
2BR/2BA	16.00%	45	56,340	1,252
2BR/2BA	0.40%	1	1,290	1,290
2BR/2BA	0.70%	2	2,608	1,304
3BR/2BA	4.30%	12	16,560	1,380
TOTAL / AVERAGE	100%	282	274,495	973

SUPERIOR AMENITIES

Amenities:

- BBQ/Picnic Area
- Billiards available
- Business center with equipment
- Cabana
- Cats Allowed
- Clubhouse
- Community gas grill/BBQ area
- Fenced Dog Park
- High Endurance Fitness Zone
- Large Dogs Allowed
- Outdoor Kitchen & Firepit
- Pet Care
- Pet Spa
- Pool
- Stucco is primary exterior
- Tile roof
- Washer/Dryer in Unit

FLOOR PLAN SAMPLES



1 Bedroom | 1 Bath



1 Bedroom | 1 Bath



1 Bedroom | 2 Bath



2 Bedroom | 2 Bath



2 Bedroom | 2 Bath



2 Bedroom | 2 Bath

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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.

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