



THOMPSON/POST REGAL CROSSING, DST



OFFERING DETAILS

Offering Price: \$11,950,000 <i>(loaded purchase price)</i>	Loan Amount: \$7,250,000	Current Occupancy: 93.02%	First Year Cash Flow: 8.0%, Master Lease	
Total Offering Size: \$4,700,000	Total Units: 384	Price Per Unit: \$31,120	Offering LTV: 60.67%	Loan Terms: 10-year maturity, 5.73% fixed, 30 year amortization

7575 Chaucer Place, Dallas, TX 75237

INVESTMENT OVERVIEW

Regal Crossing Apartments is a 384-unit, class B apartment community, built in 1985 and located in Dallas, Texas. The units offer resident's a mix of one and two bedroom apartments with various floor plans. Property amenities include 2 swimming pools, after school kids camp, business center and club house.

INVESTMENT HIGHLIGHTS

- The property was appraised in February 2011 for \$11.9 million, 19% over the contract purchase price of \$10 million.
- A \$1,035,000 property improvement project was completed in early 2011.



Cash Flow Projections

Projected 10-Year Average Cash Flow = 9.11% ⁽¹⁾

(Based on a \$100,000 Investment or 2.28% Investment Interest)

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Projected Cash-on-Cash	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%
Cash Distribution	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000
Anticipated Bonus Rent	\$0	\$90	\$320	\$555	\$842	\$1,137	\$1,490	\$1,854	\$2,228	\$2,614
Total Distribution	\$8,000	\$8,097	\$8,343	\$8,596	\$8,905	\$9,122	\$9,601	\$9,991	\$10,393	\$10,808
Combined Cash-on-Cash	8.00%	8.09%	8.32%	8.55%	8.84%	9.14%	9.49%	9.85%	10.23%	10.61%

(1) These projections are estimates only and are not guaranteed. These projections are based on various assumptions and may not be achieved if one or more of such assumptions does not occur. Prospective investors are encouraged to carefully consider the risks described in this brochure and private placement memorandum before making an investment in the DST Interests.

This brochure does not constitute an offer to sell, or a solicitation of an offer to buy, securities. Offers can only be made through the Private Placement Memorandum which contains various and important risk disclosures. This brochure does not purport to be complete and should be viewed in conjunction with the Private Placement Memorandum. An investment of this sort is speculative and involves a high degree of risk. Projections of future performance contained herein are based on specific assumptions discussed more fully in the Private Placement Memorandum and do not constitute a guaranty of future performance.

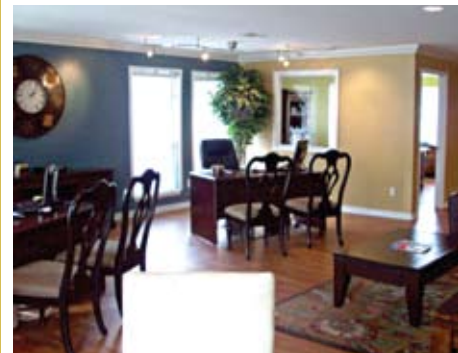


Regal Crossing Amenities

- 2 Swimming Pools
- After School Kids Camp
- Business Center
- Clubhouse
- Playground
- Controlled Gate Access

Unit Amenities

- Refrigerator
- Garbage Disposal
- Dishwasher
- Washer/Dryer Connections
- Walk-in Closets
- Ceiling Fans



Dallas-Fort Worth, Texas Multi-Family Market Data

According to CBRE, the Dallas/Fort Worth market is experiencing strong recovery in the multi-family market, with a net positive absorption of approximately 18,730 units for the 12 months ended June of 2010. CBRE reported that at the end of Q2 2010 the market was comprised of 586,060 units with average rents of \$0.87 psf, up from \$0.86 psf in Q1 2010 and an occupancy rate of 90.70%, up from 89.3% at Q1 2010. Additionally, vacancy rates at the end of September 2010 fell to 8.50%. Vacancy fell despite the addition of 9,200 units in 2010.

South Dallas County Submarket Multi-Family Market Data

According to CBRE, during Q2 2010, the South Dallas submarket is comprised of 9,153 apartment units with an average occupancy of 90.4% and average rents of \$0.81 psf. At Regal Crossing, rents are currently priced at a reduced rate of \$0.73 psf. We believe the difference in rates offer a value add opportunity through increasing rates to market rates. CBRE further states that net absorption has essentially remained flat during the recession within the area.

CONSIDER THE RISKS

An investment in the DST Interests involves substantial investment and tax risks, including, without limitation, the following risks:

- Although under the master lease the trust will be entitled to receive the master rent without regard to the economic success of the property, the economic success of the DST Interests will eventually depend upon the results of operations of the property.
- If the current tenants do not renew or extend their leases or if current tenants terminate their leases, the operating results of the property could be substantially and adversely affected by the loss of revenue, and the cashflow projections would be adversely affected.
- No assurance can be given that the property will be substantially occupied at projected rents.
- The trustees, in particular the signatory trustee, are solely responsible for the operation and management of the trust. The investors have no right to participate in the management of the trust or in the decisions made by the trustees.
- No assurance can be given that the investors will satisfy their investment objectives.
- No assurance can be given that the investors will realize a substantial return, if any, on their investment or that they will not lose their entire investment in the property.
- Certain Tax Risks exist. Sponsor has obtained a tax opinion of counsel (the "Tax Opinion"), which provides that an investor's acquisition of a DST Interest "should" be treated as a direct acquisition of an interest in the property for purposes of Section 1031 of the Internal Revenue Code of 1986, as amended ("Section 1031"). No ruling will be obtained from the Internal Revenue Service ("IRS") with respect to any tax issues affecting the DST Interests.
- The securities offered hereby have not been registered under the federal securities law or the securities laws of any state and are being offered and sold in reliance on exemptions from the registration requirements of the such laws. The securities are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under federal and state securities laws pursuant to registration or exemption.
- The loan documents will contain restrictions on the sale, transfer, or other disposition of the property and DST Interests by the Investors in certain circumstances. No public market exists for the DST Interests and none is expected to develop.
- The Master Tenant is recently formed and has limited capital with which to pay master rent and operate, manage, lease and maintain the property. If the Master Tenant cannot pay the master rent, the investment in DST Interests will be adversely affected. Investors have limited control over the operation of the property and the timing of its sale under the Master Lease.

ABOUT THOMPSON NATIONAL PROPERTIES, LLC

Thompson National Properties, LLC ("TNP") is an international real estate advisory company, specializing in the management and creation of real estate investment funds. TNP uses a variety of investment structures to fit the needs of its investors, which are designed specifically for both institutional and high net worth individual investors alike. Thompson National Properties is also a leader in both property and asset management and receivership services, a key element in any successful commercial real estate investment in today's lender driven marketplace.

Headquartered in Irvine, California, Thompson National Properties was founded in April 2008 and has seven regional offices. As of April 29, 2011, Thompson National Properties manages a portfolio of 131 commercial properties, in 30 states, totaling more than 19.4 million square feet, on behalf of over 4,000 investor/owners with an overall purchase value of \$2.5 billion dollars. In 2009, TNP expanded its operations to the Middle East to provide valuation and advisory services on over 2.3 million square feet of real estate in Saudi Arabia. For more information regarding Thompson National Properties, please visit www.tnpre.com.



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