

BR 79 West, DST

AVAILABLE FOR 1031 EXCHANGE & DIRECT INVESTMENT

ESTIMATED EQUITY OFFERING AMOUNT: \$42,387,253 | MINIMUM INVESTMENT AMOUNT: \$100,000 (0.23356%) FOR 1031 EXCHANGE



INVESTMENT OPPORTUNITY

79 West (the “Property”) represents an opportunity to invest in a class A apartment community, located in Panama City Beach, Florida, part of the Panama City metropolitan statistical area (the “Panama City Metro”) within walking distance to the renowned Panama City Beaches.

BR 79 West, DST (the “Trust”) seeks to provide attractive monthly cash flow distributions and growing property values due to strong rental demand, a growing population driven by strong in-migration, and the Property’s desirable location within the Panama City Metro with close proximity to Panama City Beaches.



KEY INVESTMENT CONSIDERATIONS

- **Instant value creation** as the Property was purchased for \$1,400,000 million below appraised value. (Source: Appraisal)
- **Recent \$3.5 million in capital improvements** performed by the seller includes a newly built clubhouse, state-of-the-art fitness center, upgraded landscaping, upgraded playground, and pool furniture.
- **Additional value-add opportunity** with a planned stainless steel appliances upgrade in remaining 257 units for a targeted 38% return on investment through increased rents.
- The Property is one of the **few class A multifamily properties in the Panama City Metro with walkability** to the highly acclaimed Panama City beaches.
- The Property is located approximately **two miles from over 1 million square feet of retail services**, including Pier Park, a major open air destination shopping center.
- **Average household income of more than \$88,000** within a 3-mile radius; approximately 14% higher than the Panama City Metro average. (Source: Appraisal)

PROPERTY HIGHLIGHTS

Location: 102 Cabana Cay Circle | Panama City Beach, Florida 32413

Purchase Price*: \$80,818,253

Loan Terms:

- 47.30% Loan-to-Capitalization | 10-year Term
- 3.38% Fixed Interest Rate | 7-year Interest Only

Cash Flow to Trust Under Master Lease: 4.00%**

Projected Hold Period: Approximately 7-10 Years

* Figure includes total purchase price, acquisition, offering fees and expenses and operating and capital reserves.

Figure reflects Additional Rent paid pursuant to the Master Lease, shown on an annualized basis as a percentage of equity invested in the Property. Current cash flow is not an assurance of future results and does not directly represent investor return. **There is no guarantee investors will receive distributions or the return of their capital. See the “Risk Factors” section in the Confidential Offering Memorandum (the “Memorandum”). Additional Rent represents rent paid to the Trust out of gross revenues from the Property in excess of the Base Rent, which covers debt service and lender reserves, operating costs of such Property and Asset Management Fee. See the “Summary of the Master Lease” section in the Memorandum.

PROPERTY OVERVIEW

- The Property, commonly known as “79 West” is a Class A, garden-style apartment community consisting of 304 units located in Panama City Beach, part of the Panama City Metro at 100 Cabana Cay Circle, Panama City Beach, Florida 32413. The Property, completed in 2007, is situated on approximately 19.96 acres and contains 252,522 rentable square feet comprised of one and two-bedroom floor plans averaging 831 square feet per unit.
- **Property amenities include:** a newly built clubhouse, resort style swimming pool, state-of-the-art fitness center, two spa hot tubs, bark park, elevators, guest parking, ocean views, gazebo, and walking distance to the beach.
- **Apartment amenities include:** balcony or patio, central air and heating, dishwasher, tile floors, and washers and dryers. In addition, select units also include an all-electric kitchen, breakfast bar, bunk room, den or study, kitchen island, walk-in closets and ocean views.

BR 79 West, DST

ABOUT BLUEROCK VALUE EXCHANGE, LLC (“BVEX”)

BVEX is a national sponsor of syndicated 1031 exchange offerings with a focus on Class A assets that can deliver stable cash flows and have the potential for value creation with more than \$2.3 billion in prior syndicated 1031 exchange programs. BVEX is an affiliate of Bluerock Real Estate, L.L.C., a private equity real estate investment firm with more than \$11 billion in acquired and managed assets. Bluerock’s senior management team has an average of over 30 years investing experience, with more than \$48 billion real estate and capital markets experience and has helped launch leading real estate private and public company platforms.

ABOUT 1031 EXCHANGES

Section 1031 of the Internal Revenue Code (“Section 1031”) provides that, in general, no gain or loss shall be recognized on the exchange of like-kind real property held for productive use in a trade or business, or for investment. A tax-deferred exchange is a method by which a property owner trades one or more relinquished properties for one or more replacement properties of “like-kind,” while deferring the payment of federal income taxes and some state taxes on the transaction. There are numerous Section 1031 rules and requirements, including, but not limited to: sellers cannot receive or control the net sales proceeds; replacement real property must be like-kind to the relinquished real property; the replacement real property must be identified within 45 days from the sale of the property; the replacement real property must be acquired within 180 days from the sale of the original real property; and the attributed debt placed or assumed on the real property must be equal to or greater than the attributed debt on the relinquished real property to avoid boot.

RISK FACTORS

The securities offered herein are highly speculative and involve substantial risks. Do not acquire an Interest if you cannot afford to lose your entire investment. Carefully consider the risks described below, as well as the other information in the Memorandum before making a decision to purchase an Interest. Consult with your legal, tax and financial advisors about an investment in an Interest. The risks described below are not the only risks that may affect an investment in an Interest. Additional risks and uncertainties that we do not presently know or have not identified may also materially and adversely affect the value of an Interest, the Property or the performance of your investment. The risks of purchasing an Interest include, but are not limited to, the following:

- the lack of liquidity of, or a public market for, the Interests;
- the holding of a beneficial interest in the Trust with no voting rights with respect to the management or operations of the Trust or in connection with the sale of the Property;
- risks associated with owning, financing, operating and leasing multifamily apartment complex and real estate generally in and around Panama City Metro;
- the impact of an epidemic in the areas in which the Property is located or a Pandemic, which could severely disrupt the global economy;
- economic risks with a fluctuating U.S. and world economy;
- performance of the Master Tenant under the Master Lease, including the potential for the Master Tenant to defer a portion of rent payable under the Master Lease;
- the Trust depends on the Master Tenant for revenue, and the Master Tenant will depend on the residents for revenue. Any default by the Master Tenant or the Subtenants will adversely affect the Trust’s operations;
- reliance on the Master Tenant (and the Property Manager (defined below) engaged by the Master Tenant, and the Property Sub-Manager subcontracted by the Property Manager) to manage the Property;
- risks associated with Sponsor’s affiliate funding the Demand Note that capitalizes the Master Tenant;
- risks relating to the terms of the financing for the Property, including the use of leverage;
- lack of diversity of investment;
- the existence of various conflicts of interest among the Sponsor, the Trusts, the Master Tenant, the Property Manager, and their affiliates;
- material tax risks, including treatment of the Interests for purposes of Code Section 1031 and the use of exchange funds to pay acquisition costs, which may result in taxable boot;
- the Interests not being registered with the Securities and Exchange Commission (the “SEC”) or any state securities commissions;
- the lack of a public market for the Interests;
- risks relating to the costs of compliance with laws, rules and regulations applicable to the Property;
- risks related to competition from properties similar to and near the Property;
- the Property is located in a “Hurricane Susceptible Region,” which increases the risk of damage to the Property; and
- the possibility of environmental risks related to the Property.

Additional risks apply. See “Risk Factors” section of the Memorandum for a more detailed discussion of the risks associated with the Interests. All terms capitalized, but not defined herein, shall have the meaning given in the Memorandum. Interests are offered to “accredited investors” only pursuant to Rule 506(b) of Regulation D of the Securities Act of 1933. Past performance is not an indicator of future results.

For more information, please contact your financial advisor or Bluerock Capital Markets LLC at 877.826.BLUE (2583)