BLUEROCK Value Exchange™

DELAWARE STATUTORY TRUST (DST) AVAILABLE FOR 1031 EXCHANGE & DIRECT INVESTMENT

BR Harrison Trace, DST

AVAILABLE FOR 1031 EXCHANGE & DIRECT INVESTMENT

EQUITY OFFERING AMOUNT: $48,182,163 | MINIMUM INVESTMENT AMOUNT: $100,000 (0.20547%) FOR 1031 EXCHANGE

Harrison Trace (the "Property") represents the opportunity to invest in a newly built Class A, single-family rental community located in North Charlotte, part of the Charlotte metropolitan statistical area (the "Charlotte Metro"), located near Interstate 85 and Interstate 77, providing residents convenient access to job centers such as Downtown Charlotte and University City.

The Property is only one of three purpose built single-family rental communities in the Charlotte Metro, providing a distinction among other residential rental communities.

The Property is located in the Charlotte Metro, roughly equidistant to Downtown/Uptown and UNC Charlotte. The greater downtown area including the South End is home to more than 190,000 jobs and a promising development pipeline for additional office space and entertainment outlets, potentially leading to additional job and economic growth. South End currently has 3.9 million square feet of existing office space, with an additional 2.6 million square feet scheduled for development. The Property is also located near two of Charlotte's leading entertainment districts, NoDa and Camp North End. Camp North End is a 76-acre redevelopment offering destination retail, restaurants and 1.5 million square feet of office space accommodating 10,000 employees, all of which provide significant lifestyle amenities. The Property is also less than seven miles from North Carolina's second largest university, University of North Carolina Charlotte. The University Research Park is home to 158,000 square feet of office space, housing 30,000 employees.

BR Harrison Trace, DST (the "Trust") seeks to provide attractive monthly cash flow distributions and the potential for capital appreciation due to limited housing supply and low vacancy rates for rental housing in the market, allowing for outsized rental rate increases.

There is no guarantee Purchasers will receive distributions or the return of their capital. See the "Risk Factors" section in the Confidential Offering Memorandum (the "Memorandum"). The results shown may not occur, and your performance could vary significantly. Capitalized terms used but not defined in this brochure have the meanings given in the Memorandum.

FOR ACCREDITED INVESTOR USE ONLY | *This is neither an offer to sell nor a solicitation of an offer to buy any securities. BR Harrison Trace, DST is a recently formed Delaware statutory trust that is offering (the "Offering") to sell 99% of its beneficial interests (the "Interests") to "accredited investors" as that term is defined in Rule 501 promulgated under the Securities Act of 1933, as amended. Interests are only being offered pursuant to the Memorandum. This material must be reviewed in conjunction with the Memorandum to fully understand all of the implications and risks associated with the Offering and an investment in the Interests. Prospective Purchasers should carefully read the Memorandum and discuss with their own investment professionals prior to making an investment and should be able to bear the complete loss of their investment.*

Key Investment Considerations

BR HARRISON TRACE, DST

- **Opportunity to invest in a newly constructed detached single-family community, in an emerging real estate subsector** in a high-growth market.
- **Instant value creation** because the Property is being purchased $1.4 million below currently projected stabilized value.[1]
- **The Property is only one of three purpose built single-family rental communities in the Charlotte Metro,** providing a distinction from other residential rental communities.
- **Located in a robust market,** projected to see 30% rental rate growth over the next five years.[2]
- **Significant value-add opportunity,** with recent leases for each floorplan achieving 12.3% higher rental rates over prior leases.
- **Affluent resident base** with an average annual household income of approximately $108,000, working in high-paying jobs in the medical, tech, and finance fields and an average income-to-rent ratio of 3.8.
- **Experienced operator in the Charlotte market, with more than 1,230 units under management** and 210 units under development, currently averaging a 96% occupancy rate.

Pictured: (Top) Downtown Charlotte, North Carolina and (Bottom) University of North Carolina at Charlotte.

Note: Investors are not purchasing interests in the above properties.

Sources: *1) Appraisal; 2) Axiometrics Annual Market Trend Report Q1 2022.*

The Property is not currently encumbered by financing, and the Manager does not anticipate that the Trust will incur any senior debt.

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INVESTMENT OVERVIEW

BUSINESS PLAN

Bluerock Value Exchange ("BVEX") believes the Property is well positioned for significant ongoing rent growth and price appreciation due in part to the Property's location in desirable North Charlotte, approximately a 10 to 15 minutes' drive to both Uptown and South End Charlotte. BVEX believes the Property has significant appreciation potential, supported by 12.1% annual historical median single-family home appreciation within the Charlotte Metro from 2012-2022[3]. BVEX plans to implement the following operational initiatives to enhance the Property's value and income potential:

- Implement aggressive marketing campaigns to reach out to local corporations, businesses and vendors to obtain referrals, activity sponsorships and reciprocal business opportunities.
- Enhance the Property's internet marketing by engaging an internet firm specializing in search engine optimization. The utilization of a search engine optimization firm will improve the Property's online presence resulting in more cost-efficient and cost-effective marketing. The firm will provide community-tailored paid internet search advertising campaigns.
- Introduce more aggressive increases in other income items to maximize recovery of utility costs, trash removal fees and pest control fees.
- Conduct regular meetings between the Master Tenant's asset managers and the regional third-party staff to review performance reports including new leasing activity, retention activity, pricing matrix, marketing programs and capital projects.

KITCHEN

LIVING AREA

OFFERING HIGHLIGHTS	$100,000 MINIMUM INVESTMENT (0.20547% INTEREST)
Offering Purchase Price: includes $2,000,000 in Supplemental Trust Reserves	$48,182,163 All Cash Offering*
Projected Hold Period:	Approx. 7-10 Years
Current Cash Flow to Trust Under Master Lease:	3.25% annual rate, paid monthly**

THE MASTER LEASE

The Trust will lease the Property to an affiliate of Bluerock, BR Harrison Trace Leaseco, LLC, a newly-formed Delaware limited liability company (the "Master Tenant"), under a 10-year master lease agreement (the "Master Lease"). The Master Tenant will sub-lease the Property to the residential tenants (the "Residents"). The purpose of the Master Lease is to permit the Master Tenant to operate the Property and to enable actions to be taken with respect to the Property that the Trust would be unable to take due to tax law related restrictions, including but not limited to, a restriction against re-leasing the Property.

Under the Master Lease, the Trust will receive Base Rent (debt service), Additional Rent (monthly distributions) and Supplemental Rent (annual performance distribution) from the Property's gross revenues as described in the Master Lease.

Sources: *3) Canopy Realtor Association.*

*The Trust acquired the Property in an all-cash transaction, and the Property is not encumbered (and the Manager does not anticipate to encumber the Property) with any permanent financing.

Figure reflects Base Rent and 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 Purchasers will receive distributions or the return of their capital. See the "Risk Factors" section in the Memorandum. Base Rent and Additional Rent represent rent paid to the Trust out of gross revenues from the property in excess of operating costs of the Property and asset management fee. See the "Summary of the Master Lease" section in the Memorandum.

PROPERTY SUMMARY

The Property offers three-, four-, and five-bedroom home floor plans.

YEAR COMPLETED: 2021/2022

CLASS: A

BUILDINGS: 84

ACRES: 14.07

NUMBER OF UNITS: 84

AVERAGE UNIT SIZE: 1,730

TOTAL SQUARE FEET: 145,359

HOME AMENITIES

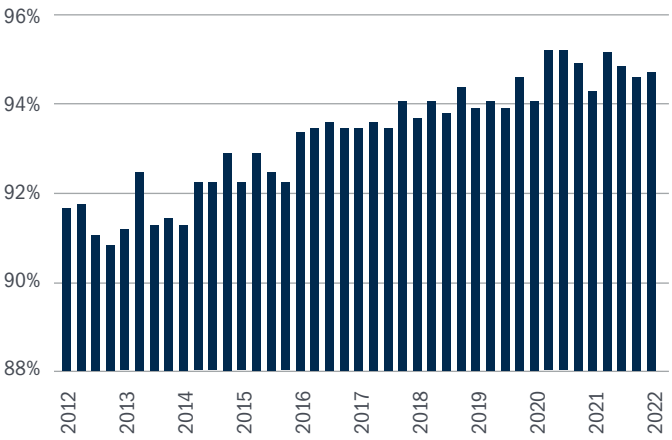
- Open concept floor plans with kitchen, dining and living areas,
- Whirlpool stainless steel appliance package,
- Stainless steel undermount sinks with sleek pull-down faucets,
- Granite countertops,
- White shaker cabinetry,
- Standing showers with framed glass enclosure in main bathroom,
- Tub and shower surrounds in secondary bathrooms,
- White shaker vanities in full baths,
- Venetian marble tops with undermount sinks in all baths,
- Ceiling fans in select bedrooms,
- Flush mount LED lighting through home,
- Vaulted ceilings,
- 2” faux wood window blinds,
- Crown molding,
- Satin nickel hardware,
- Spacious walk-in closets,
- Washer and dryer,
- One and two-car garages,
- Skybell video doorbell,
- Private patios,
- Gas fireplace (select homes), and
- White fencing (select homes).

WHY **SINGLE-FAMILY RENTAL?**

Due to aging of the Millennial cohort, renters' demand for more space, robust household formation, a shortage of housing units, and unaffordable home prices, the single-family rental ("SFR") market has experienced significant demand with positive fundamentals.

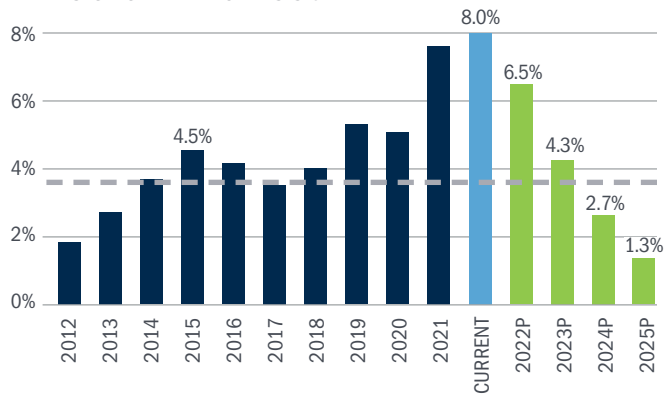
Demand for single-family rental space reached an all-time high in 2021 of nearly 17 million units. This demand coupled with limited housing inventory has continued to tighten vacancy rates and push rental rate growth. As shown below, national occupancy rates averaged 94.9% during Q1 2022, while single-family new lease effective rent growth for the top 20 SFR markets, including Charlotte, increased 8% year-over-year ("YOY").

SFR OCCUPANCY RATES[4] | THROUGH Q1 2022



TOP 20 SFR MARKETS SINGLE FAMILY RENT INDEX[5]

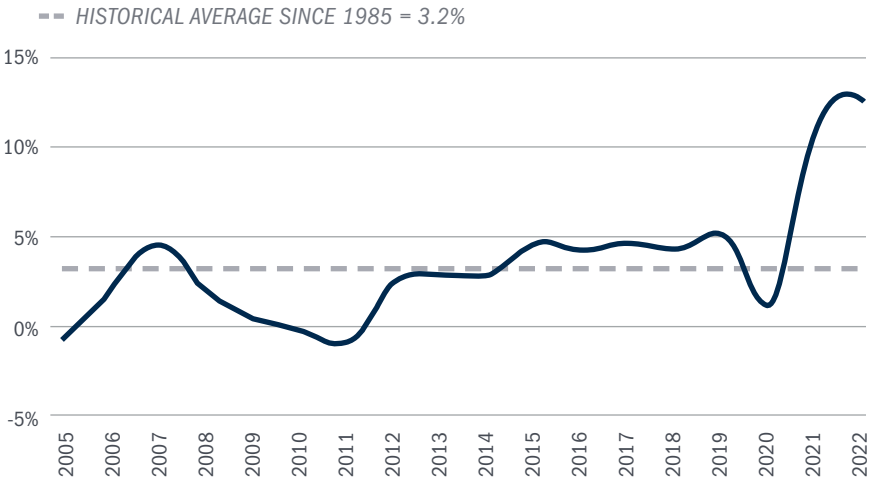
SINGLE-FAMILY NEW LEASE EFFECTIVE RENT YOY %



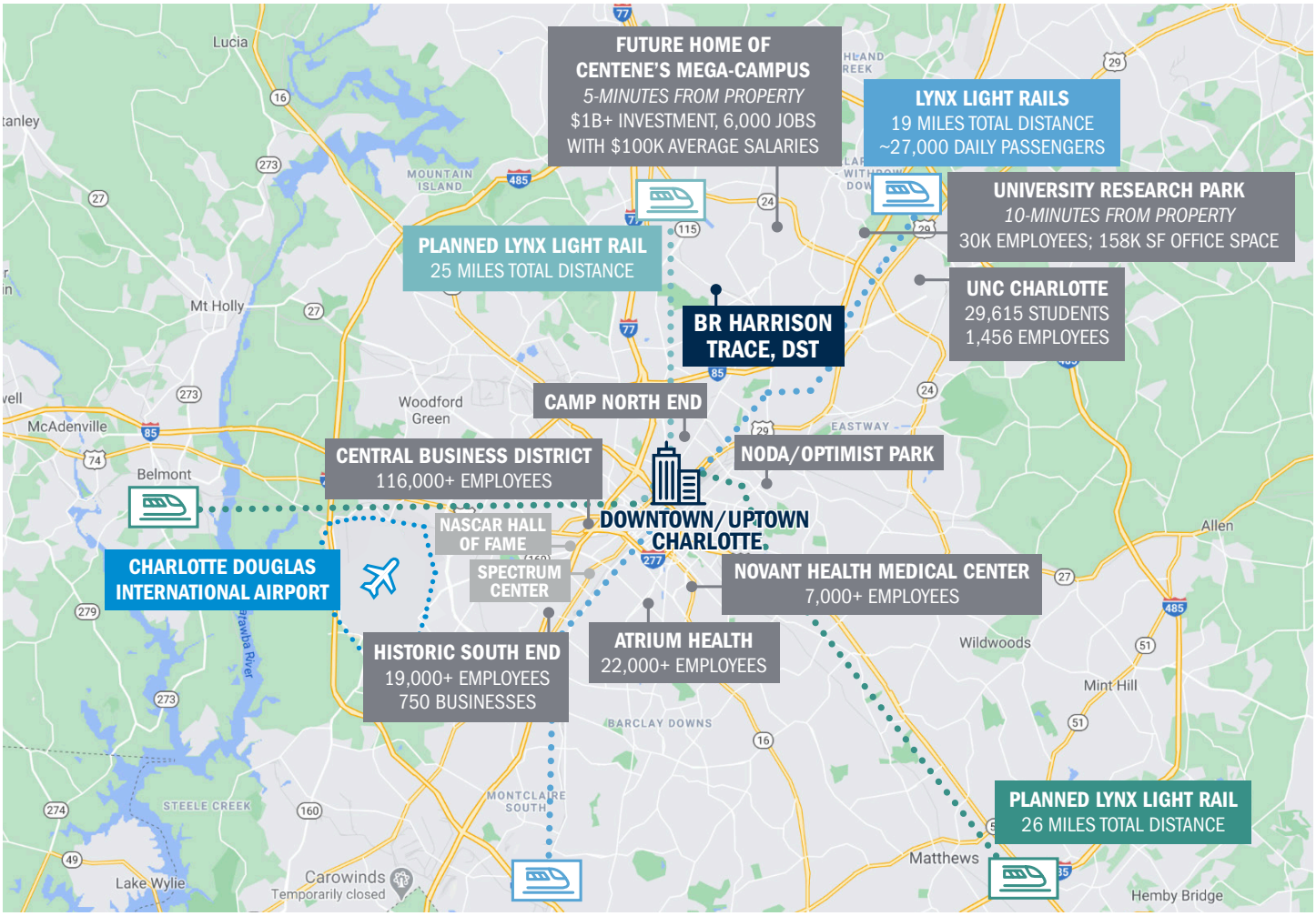
Unaffordable homeownership prices have increased the appeal of renting compared to owning a home. According to Marcus & Millichap, at the end of Q1 2022, it was $640 a month cheaper to rent versus owning a home.

The Charlotte Metro's single-family rental market is exhibiting similar strong fundamentals as across the nation. As shown in the Charlotte Metro SFR rent chart, the Charlotte Metro's single-family rental rate grew 12.5% year-over-year through April 2022.

CHARLOTTE METRO SINGLE FAMILY RENT INDEX (% ANNUAL CHANGE)[5]



Sources: *4) Arbor Chandan Q1 2022 Single-Family Rental Investment Trends Report; 5) John Burns Real Estate Consulting.*



REGIONAL OVERVIEW

The Property is located in the Charlotte Metro, approximately seven miles northeast of Uptown Charlotte, near Interstate 85 and Interstate 77. The Charlotte Metro has an estimated 2021 population of approximately 2.7 million, and is expected to grow at nearly three times the national rate and is expected to be among the fastest growing of the top 25 largest metro areas in the near term.[6]

The Charlotte Metro is the second largest banking center in the United States behind New York City. The Charlotte Regional Business Alliance reports that the industry employs more than 91,000 workers in the area, largely led by Bank of America and Truist, the second and sixth largest banks in the United States by assets and deposits. Additionally, the financial services subsectors that are providing significant growth to the industry include commercial banking, insurance agencies and brokerages, and fintech. Charlotte Metro has over three times the national average for commercial banking occupations, which has exhibited 65% growth over the past five years. In 2020, this accounted for 46,392 jobs and $19.1 billion in gross regional product.[7]

The healthcare industry is responsible for an economic impact of $20 billion to the Charlotte Metro. The industry is also responsible for more employment than any other sector, with 163,000 healthcare employees, which represents approximately one in nine people in the Charlotte Metro. The healthcare sector in the Charlotte Metro has seen 20% growth since 2010. Health insurance and consulting is responsible for more than 3,000 jobs, representing an 18% growth rate since 2010. Medical device and equipment sectors have grown 27% since 2010, and bio-manufacturing and pharmaceutical sectors have grown 141% since 2010. The healthcare industry has a strong pipeline for prospective employees, with 28 nearby colleges and universities, as well as 18 community colleges and technical institutes. Additionally, 4,600 students in the region earn a healthcare related degree or certification each year, assisting with fulfilling the demand for workers.[7]

It was recently announced that the Charlotte Metro will be included on the list of the largest cities with a four-year medical school. Atrium Health, Wake Forest Baptist Health and Wake Forest University revealed there will be a 20-acre site in Midtown Charlotte for the new medical school. The school is expected to be complete in 2024 and is projected to house 3,000 students, providing 43,000 new jobs and a $5.2 billion economic impact. Atrium believes that the medical school will position Charlotte Metro as a destination for research. The school plans to place a concentration on cutting-edge virtual reality and artificial intelligence technology, in an effort to revolutionize medicine.[8]

Sources: *6) Appraisal; 7) Charlotte Regional Business Alliance; 8) Atrium Health.*

CHARLOTTE METRO FACTS

- Charlotte Metro is the second largest banking center in the country behind New York City.[9]
- Charlotte Metro is ranked the sixth best real estate market in 2022.[10]
- Charlotte Metro is home to the sixth busiest international airport in the world, based on passenger totals.[11]
- Charlotte Metro, a popular logistics hub, is a two-day drive to 72% of the country's population.[11]
- Charlotte Metro is the second largest city in the Southeast and the fifteenth largest city in the United States.[12]
- Charlotte Metro is home to nine Fortune 500 companies and 18 Fortune 1000 companies.[12]
- Charlotte Metro is the third fastest growing city in the United States, with a population increase of 13.9% since 2010.[12]

LOCAL OVERVIEW

The Property is part of the Nevin Community, in the northern part of the Charlotte Metro, which provides coveted connectivity for residents to major employment centers and entertainment hubs such as NoDa, Camp North End, University City, Uptown/South End, and the Charlotte Douglas International Airport. The Nevin Community is predominantly comprised of families, offering residents a suburban feel. According to Niche.com, schools in the community are above average, with a B+ overall grade.

Located less than six miles from downtown Charlotte, the Ribbonwalk Nature Preserve is a 188-acre urban forest that serves to protect a diversity of forest and wetland habitats. Some of the habitats found within the preserve include a Mesic Mixed Hardwood Forest and a mature American Beech grove. The preserve is traversed by Irwin Creek and includes two ponds and a wetland bog.

Sources: *9) Forbes; 10) 2022 Emerging Trends in Real Estate, ULI & PwC; 11) Charlotte Regional Business Alliance; 12) Northmarq.*

Delaware Statutory Trust (DST)

BR Harrison Trace, 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 that sponsors a portfolio currently exceeding $14 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, operating and leasing multifamily apartment complex and real estate generally in and around the Charlotte 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 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;
- lack of diversity of investment;
- the existence of various conflicts of interest among the Sponsor, the Trusts, the Master Tenant, the Property Manager, their affiliates and employees;
- 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; 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)

BLUEROCK Value Exchange™

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Securities Offered Through **Bluerock Capital Markets LLC**
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