



MARKET INSIGHTS

CHARLOTTE, NORTH CAROLINA

The Charlotte Metro is home to more than \$2.7 million residents.¹ Since 2010, the Charlotte Metro’s population has increased 13.9%, making it the third fastest growing city in the United States.² Additionally, the Charlotte Metro’s population is projected to grow at nearly three times the national rate and is projected to be among the fastest growing of the top 25 largest metro areas in the near term.¹

ECONOMIC GROWTH

- The Charlotte Metro is projected to outperform the “National Region Metros” over the next five years in five out of the eight performance categories.¹
- The Charlotte Metro outperformed the National Region Metros in total employment, gross metro product, and population growth from 2015 through 2020.¹
- The Charlotte Metro is projected to have nearly 4.5% gross metro product growth from 2020 through 2025.¹
- The Charlotte Metro’s GDP growth of 7.9% from Q4 2019 to Q1 2022 ranks fifth among the top 50 metros.³

TRANSPORTATION

- The Charlotte Area Transit System (“CATS”) is the biggest operating transit system between Washington, D.C. and Atlanta. CATS sees over 72,000 daily trips during the weekday.⁴
- The transit system is comprised of 300 buses that service 66 bus routes. The City of Charlotte notes that in fiscal year 2019, CATS buses traveled more than 13 million miles and provided more than 21 million passenger trips.⁴
- CATS also has the first rapid transit line in North Carolina. The LYNX Blue Line operates from Interstate 485 at South Boulevard through Center-City Charlotte to the University of North Carolina at Charlotte, spanning 18.9 miles.⁴
- The LYNX light rail system is expected to expand and connect the North Charlotte area to the existing system via the “red” line. The proposal consists of 25 miles of light rail line and 10 new stations.⁵

Sources: 1) Newmark Knight Frank Appraisal dated June 1, 2022; 2) Northmarq, 2022; 3) Oxford Economics, March 2022; 4) City of Charlotte, 2020; 5) Northmarq, 2022; 6) Charlotte Regional Business Alliance, Q2 2020; 7) Novant Health, May 2019; 8) Atrium Health, March 24, 2021; 9) Forbes, October 2019.

HEALTHCARE INDUSTRY

- The healthcare industry is responsible for an economic impact of \$20 billion to the Charlotte Metro.⁶
- The healthcare industry employs more workers in Charlotte than any other sector with a total of 163,000 employees. This is equivalent to one out of every nine people in the Charlotte Metro.⁶
- Novant Health, one of the major hospital systems in the area, reports that they created \$5 billion of economic activity and supported an additional \$4.8 billion of economic output, leading to nearly \$10 billion of economic impact. Of this \$10 billion of economic activity, nearly half took place in the Charlotte Metro.⁷
- Atrium Health, Wake Forest Baptist Health and Wake Forest University revealed there will be a 20-acre site in Midtown Charlotte for a new medical school. The school is expected to be completed in 2024 and is projected to house 3,000 students, providing 43,000 new jobs and a \$5.2 billion economic impact in the near future.⁸



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

ADVANCED MANUFACTURING INDUSTRY

- The Charlotte Metro consists of thousands of manufacturing firms in innovative industries such as precision meteorology, optoelectronics, and biomedical technology and chemicals.⁶
- The Charlotte Metro has over 3,600 manufacturing companies with more than 145,000 workers in the advanced manufacturing industry.⁶
- The Charlotte Metro attributes its success in part to its connectivity to four “Interstate” highways and the Charlotte Douglas International Airport, a low cost of doing business, a robust industrial base, and significant future growth expectations.⁶

FINANCIAL SERVICES

- Charlotte is the second largest banking center in the United States.⁹
- The financial services industry employs more than 91,000 workers in the area, led by Bank of America and Truist, the second and sixth largest banks in the United States by assets and deposits.⁶
- The Charlotte Metro is attractive to the financial services industry due to its higher than expected supply of financial professionals, its low cost of doing business, and its strong growth in financial workers of 32% in the past five years.⁶
- The Charlotte Metro has over three times the national average for commercial banking occupations, which has exhibited 65% growth over the past five years.⁶



Harrison Trace
Charlotte, North Carolina

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)