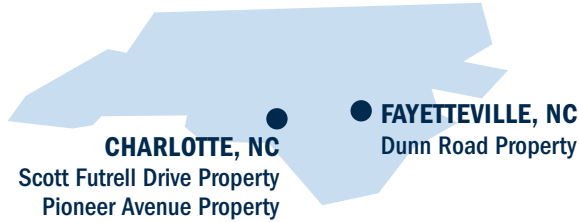


BR Diversified Industrial Portfolio II, DST

EQUITY OFFERING AMOUNT: \$54,910,038 | MINIMUM INVESTMENT AMOUNT: \$100,000 (0.18212%) FOR 1031 EXCHANGE

PROPERTY LOCATIONS

NORTH CAROLINA



BR Diversified Industrial Portfolio II, DST (the “Parent Trust”) represents the opportunity to invest in the highly desirable industrial sector with tenant and property diversification and the opportunity to create value through the releasing / renewal of properties that are significantly below current market rates.

The Parent Trust is offering to sell 100% 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.

Note: Investors are purchasing interests in the above Properties.

FOR ACCREDITED INVESTOR USE ONLY | *This is neither an offer to sell nor a solicitation of an offer to buy any securities. BR Diversified Industrial Portfolio II, DST is a recently formed Delaware statutory trust that is offering (the “Offering”) to sell 100% 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 Confidential Offering Memorandum (“Memorandum”). Capitalized terms not defined herein have the meaning given such terms in 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

- **Diversified industrial portfolio** in high-demand regions with access to exceptional distribution routes providing connectivity to major population centers.
- **Triple net lease portfolio** provides minimal landlord responsibilities while tenants bear the cost of all operating expenses in addition to rent.
- **Strong market locations**, with undersupplied demand, has driven historical rent growth caused by low vacancy rates, which provides the opportunity for significant rent growth at all properties upon lease expirations.
- **Immediate value creation** with portfolio acquired \$650,000 below current “As-Is” value and \$1,250,000 below “As Stabilized” value.¹
- **Significant future value creation potential** with in-place leases / rents substantially (approx. 23% on average) below current market rents.¹
- **Industrial sector forecasted as highest net operating income (NOI) growth sector through 2028.**²

The Portfolio is 90% leased as of July 2023, with one vacant suite of nearly 49,000 square feet in the Pioneer Avenue Property.

PROPERTY	LOCATION	ACRES	GROSS RENTABLE SQ FT	YEAR BUILT	PERCENT LEASED	PROPERTY TYPE
Dunn Road Property	1005 Dunn Road and 1030 Fort Worth Avenue, Fayetteville, North Carolina 28312	23.80	127,500 Square Feet	1999 / 2022	100%	Distribution Warehouse
Scott Futrell Drive Property	1827 Scott Futrell Drive, Charlotte, North Carolina 28208	4.64	54,927 Square Feet	1986	100%	Distribution Warehouse
Pioneer Avenue Property	9415 Pioneer Avenue, Charlotte, North Carolina 28273	12.65	241,590 Square Feet	1960	80% leased with one 49,000 square foot space vacant	Distribution Warehouse and Manufacturing

Investment Overview

BUSINESS PLAN

BVEX and BIGRX believe the Properties are well positioned for additional rent growth and value creation as a result of the high projected demand for industrial properties in desirable locations within high growth markets and with rents substantially below current market rates (approx. 23% on average). Further, BVEX and BIGRX believe that an investment in the Parent Trust will provide investors with an attractive investment opportunity, through the participation in an already-assembled portfolio of industrial real estate assets which are expected to generate a steady and stable stream of income pursuant to in-place, triple net leases that are financially backed by a diverse and creditworthy group of lessees.

The ownership objectives for the Offering will be to (i) preserve the capital investment, (ii) make monthly distributions which may be partially tax-deferred as a result of depreciation and amortization deductions, (iii) provide institutional property management oversight to maintain the high quality and high marketability of the Properties to maximize future value, and (iv) realize profit through the ownership and eventual sale, disposition, transfer or merger to facilitate a Section 1031 Exchange (under limited circumstances) or an exchange transaction pursuant to Section 721 of the Code with respect to the Properties within approximately seven to ten years.

OFFERING HIGHLIGHTS	\$100,000 MINIMUM INVESTMENT
Debt Assumption:	None, All Cash
Offering Purchase Price: includes \$2,650,000 in Supplemental Trust Reserves	\$54,910,038* All Cash Offering
Projected Hold Period:	7-10 Years
Cash Flow from the Parent Trust:	5.00%**

THE MASTER LEASES

Each Operating Trust will lease its respective Property in its entirety to its respective Master Tenant under the respective Master Lease. Each Master Lease has a 10-year term. The purpose of the Master Leases is to permit the Master Tenants to operate its respective Property and to enable actions to be taken with respect to its respective Property that the Parent Trust would be unable to take due to tax law related restrictions, including but not limited to, a restriction against re-leasing the Properties.

As part of the Master Leases, the Parent Trust is entitled to receive Base Rent from the respective Properties' gross revenues as described in the Master Leases, via its ownership of the Operating Trusts.

1) Source: Appraisals, Colliers International June 2023; 2) Source: Green Street, A Great Year Ahead for Commercial Real Estate, March 2023

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

**Figure reflects estimated funds available for distribution from the Parent Trust after relevant expenses at the Master Tenant level and at the level of the Trusts (expense for debt service, operating costs of each Property, and fees, including the Asset Management Fee). The rate shown is on an annualized basis as a percentage of equity invested in the Properties. This figure 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 Memorandum for additional detail.

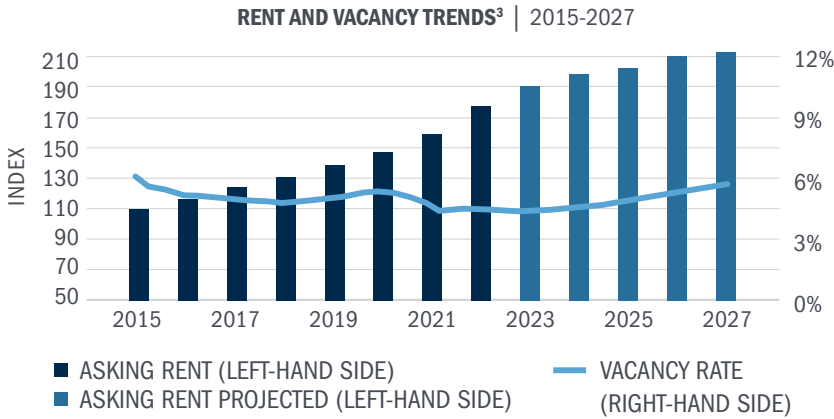
See “The Properties” in the Memorandum for additional detail. Also see “Risk Factors – Risks Related to the Properties” in the Memorandum. There is no guarantee Purchasers will receive distributions or the return of their capital. See the “Risk Factors” section in the Memorandum. The results shown may not occur, and your performance could vary significantly.

Why Industrial?

WHAT IS INDUSTRIAL REAL ESTATE?

Industrial real estate is a major commercial sector that is used to accommodate the industrial supply chain and the assembly, production, manufacturing, warehousing, research, storage, and distribution of goods for global trade and e-commerce.

INDUSTRIAL SECTOR RETURN OUTPERFORMANCE PROJECTED TO CONTINUE



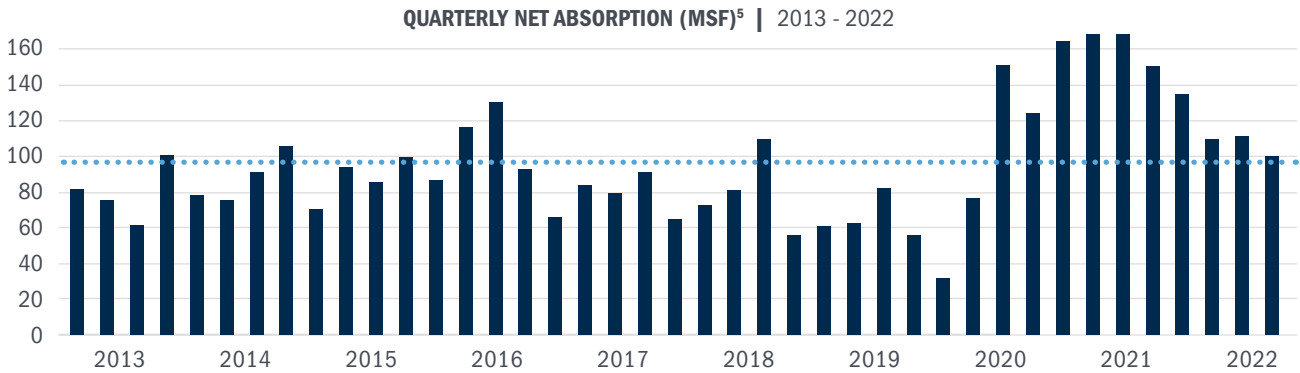
PERFORMANCE FORECAST

6.0% **AVERAGE ANNUAL INCREASE IN RENT**
through 2027, highest of all major property types⁴

10.5% **ANNUALIZED NOI GROWTH**
for next 5 years (2023-2027)⁴

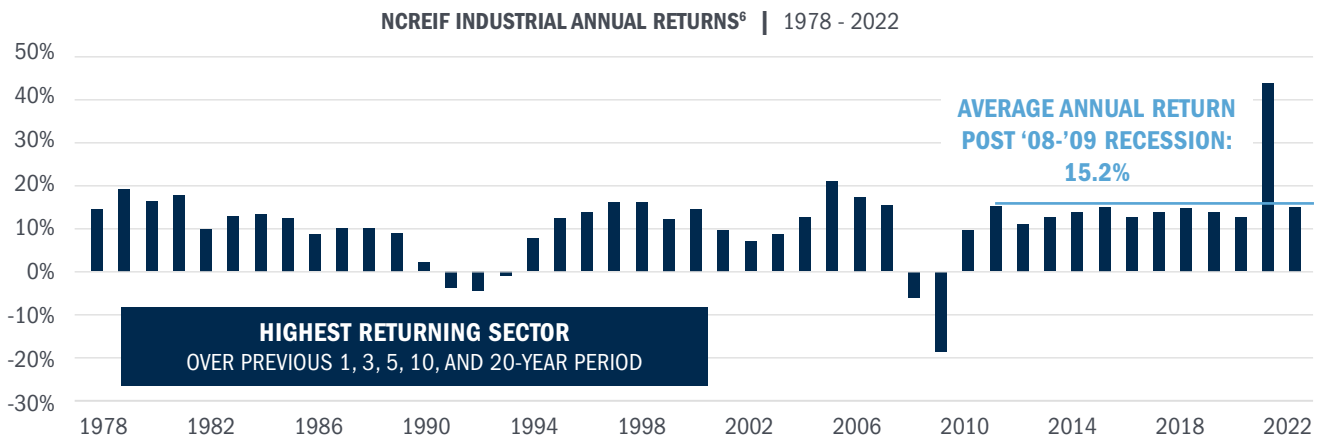
RECORD ABSORPTION

Quarterly net absorption remains above its 10-year average for the trailing nine quarters, implying very strong demand for industrial space.



ATTRACTIVE HISTORICAL RETURNS AND A CLEAR MARKET LEADER POST 2008-09 RECESSION

Industrial real estate is a defensive sector that has exhibited consistent fundamentals across diverse market cycles.



3) Source: CoStar, January 2023; 4) Source: Green Street, A Great Year Ahead for Commercial Real Estate? March 2023; 5) CBRE, Q4 2022 Industrial Figures; 6) NCREIF NPI Index, 1978-2022.

DUNN ROAD PROPERTY

DESIRABLE CONNECTIVITY

- The Dunn Road Property is located adjacent to Interstate-95, providing exceptional connectivity to tenants. Interstate-95 is the primary Interstate along the East Coast connecting Miami in the south up through Boston to the north, connecting all major metros along the way. Dunn Road is within an eight-hour drive to two-thirds of the nation's population, and just hours to some of the East Coast's largest ports.

STRONG INDUSTRIAL MARKET

- According to CoStar, the Fayetteville market has seen robust cumulative rent growth of 32.0% over the past three years. In the trailing year period, Fayetteville's rental rates grew 10.8%, while the Fayetteville Metro saw positive absorption of 640,000 square feet.



PROPERTY DETAILS



ADDRESS:

1005 Dunn Road and 1030 Fort Worth Avenue,
Fayetteville, North Carolina 28312

YEAR COMPLETED: 1999 / 2022

ACRES: 23.80

RENTABLE SQUARE FEET: 127,500

PROPERTY TYPE: Distribution Warehouse

NUMBER OF BUILDINGS: 1

TENANT LEASE TERMS:

Amazon: Triple Net Lease, Expiration January 31, 2027, Four five-year renewal options, with contractual rent increases.

FedEx: Triple Net Lease, Expiration August 31, 2025, One one-year renewal option, with contractual rent increases.

TENANT OVERVIEW | FEDEX



FedEx is a multinational conglomerate holding company focused on transportation, e-commerce and business services. FedEx generated \$90 billion in annual revenue and had more than \$87 billion in assets as of the company's quarterly period ended May 31st, 2023. FedEx delivers to more than 220 countries and employs more than 530,000 personnel. FedEx is headquartered in Memphis, Tennessee and delivered more than three billion packages during its 2022 fiscal year. FedEx utilizes this site as a distribution warehouse.



FEDEX DISTRIBUTION WAREHOUSE SITE

TENANT OVERVIEW | AMAZON



Amazon is one of the world's largest companies with net sales of \$127.4 billion and a market capitalization of more than \$1 trillion as of March 31, 2023. Amazon is an American multinational technology company focusing on e-commerce, cloud computing, online advertising, digital streaming, and artificial intelligence. The company is headquartered in Seattle, Washington and has more than 1.5 million employees spread across the globe. Amazon utilizes this site as a distribution warehouse.



PIONEER AVENUE PROPERTY

PREMIER LOCATION

- According to CoStar, rent growth in the Charlotte Metro is outperforming the national average at 12.6% year-over-year, driven by a tight 5% vacancy rate. The Pioneer Avenue Property is attractively located proximate to Interstate-485, providing tenants with essential connectivity. The Pioneer Avenue Property also benefits from its location in the Interstate-85 super region, also known as the Boom Belt. The area connects five major markets from Georgia through the Carolinas to form the third largest economic region in the United States behind the Boston-Washington and Greater Chicago areas. Additionally, the area's population is growing at twice the national average, according to CBRE.

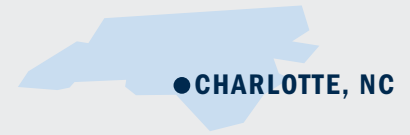
TRANSPORTATION HUB

- The Charlotte Metro boasts a superior transportation network including the presence of the sixth busiest passenger airport in the nation, Charlotte Douglas International Airport, a state-of-the-art Norfolk Southern intermodal facility, and Interstate-85, Interstate-77, and Interstate-40. This superb connectivity makes the Charlotte Metro within a one-day truck drive to 98.5 million people.



YALE INDUSTRIAL PRODUCTS MANUFACTURING SITE

PROPERTY DETAILS



ADDRESS:

9415 Pioneer Avenue
Charlotte, North Carolina 28273

YEAR COMPLETED: 1960

ACRES: 12.65

RENTABLE SQUARE FEET: 241,590

PROPERTY TYPE: Distribution Warehouse and Manufacturing

NUMBER OF BUILDINGS: 1

TENANT LEASE TERMS:

Central Aluminum: Triple Net Lease, Expiration September 30, 2028, One five-year renewal option, with contractual rent increases.

Yale: Triple Net Lease, Expiration March 31, 2028, No renewal options.

TENANT OVERVIEW

CENTRAL ALUMINUM SUPPLY CORPORATION



A full-service wholesale rainware manufacture and distributor servicing the commercial and residential seamless gutter industries. Central Aluminum Supply Corporation has three offices and delivers to six different states. Central Aluminum Supply Corporation has a wide variety of inventory and services including 38 colors of gutters, repair and adjust gutter machines, and all gutter related accessories. Central Aluminum Supply Corporation utilizes the site for a mix of fabrication, assembly, and distribution of products.

TENANT OVERVIEW

YALE INDUSTRIAL PRODUCTS



Yale Industrial represents one of the most popular brands in the material handling industry, with users specifying it for applications ranging from offshore oil platforms to pulp and paper production. Yale Industrial offers agriculture, mining, and construction machinery products used in hundreds of industries around the globe. In addition to the premier line of wire rope hoists, electric chain hoists, manual hoists and lever tools are also available under the popular Yale brand. Yale Industrial Products utilizes this space for manufacturing of heavy duty equipment.

SCOTT FUTRELL DRIVE PROPERTY

DESIRABLE LOCATION

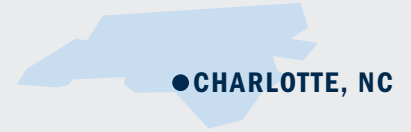
- According to CoStar, rent growth in the Charlotte Metro is outperforming the national average at 12.6% year-over-year, driven by a tight 5% vacancy rate. The Scott Futrell Drive Property is ideally located less than four miles north of the Charlotte Douglas International Airport and approximately 10 minutes to Downtown Charlotte. Additionally, the Scott Futrell Drive Property has coveted access to Interstate-85 and State Route 27. This continues to fuel demand in the Scott Futrell Drive Property submarket.

ROBUST SUBMARKET

- The Scott Futrell Drive Property’s submarket, Airport/West, has outperformed the greater Charlotte market with lower vacancy rates and higher rent growth making it an upper tier submarket as compared to other submarkets in the Charlotte Metro, according to CoStar. Demand in the Airport/West submarket is fueled by proximity to the Charlotte Douglas International Airport and connectivity via Interstate-85 and Interstate-485. Additionally, there is an intermodal facility nearby the airport that offers rail services to the Port of Charleston and Port of Wilmington.



PROPERTY DETAILS



ADDRESS:

1827 Scott Futrell Drive
Charlotte, North Carolina 28208

YEAR COMPLETED: 1986

ACRES: 4.64

RENTABLE SQUARE FEET: 54,927

PROPERTY TYPE: Distribution Warehouse

NUMBER OF BUILDINGS: 1

TENANT LEASE TERMS:

Mac Papers & Packaging: Triple Net Lease, Expiration March 31, 2027, Two five-year renewal options, with contractual rent increases.



MAC PAPERS AND PACKAGING WAREHOUSE



MAC PAPERS AND PACKAGING WAREHOUSE

TENANT OVERVIEW | MAC PAPERS AND PACKAGING



Mac Papers and Packaging is the Southeast’s premier distributor of paper, packaging, wide format, envelopes and facility supplies. The company is backed by Monomoy Partners, a private equity firm with \$2.7 billion in committed capital. Mac Papers and Packaging has been providing paper and packaging and printing supplies since 1965. Additionally, Mac Papers and Packaging provides 33,000 individual products and has a fleet of more than 100 trucks. Mac Papers and Packaging has 19 locations across seven states in the southeast United States. Mac Paper and Packaging uses this space for distribution and warehousing.

The foregoing tenant overviews are for informational purposes with respect to the tenants of the Properties owned by the Trusts. These companies have not endorsed this Offering, nor would an investment in the Parent Trust involve an investment in such companies.

FMV Option Exit Strategy

This Offering is designed to provide investors with exit options that include a tax-efficient contribution of one or more Properties via an UPREIT transaction under Code Section 721 or a sale of one or more Properties at a profit within approximately seven years. Accordingly, Bluerock Industrial Holdings, LP (the “Operating Partnership”), may require that the Beneficial Owners exchange their Interests for units in the Operating Partnership (the “FMV Option”). A Beneficial Owner may, however, elect to have the Operating Partnership purchase its Interests for cash (such an electing Beneficial Owner, a “Cash Investor”), with no restrictions, less the Cash Redemption Fee. If the FMV Option is exercised, Beneficial Owners that do not elect to become Cash Investors (each such Beneficial Owner, a “Contributing Investor”) will receive an amount of units in the Operating Partnership (“OP Units”) with an aggregate value equal to the fair market value of a Beneficial Owner’s interests (the “Exchange FMV”) less the Call Option Fee. If a Cash Investor elects to exercise its rights to have the Operating Partnership acquire its interests in the Trust for cash, the cash purchase price for a Cash Investor’s interest (the “Cash Amount”) shall equal to the Exchange FMV, less the Cash Redemption Fee. Because there is a possibility that the FMV Option will not be exercised, you should assume when you acquire an Interest that you will not ultimately receive OP Units or cash pursuant to the FMV Option. It is possible that the Exchange FMV may be less than the amount you paid for your Interest. See FMV Option and the OP Units in the Memorandum for more details.

Section 721 of the Internal Revenue Code provides an alternative tax-deferral strategy (to a tax-deferral strategy under Section 1031) for property owners who are interested in selling their real estate assets but who no longer wish to find a replacement property (“721 Exchange”).

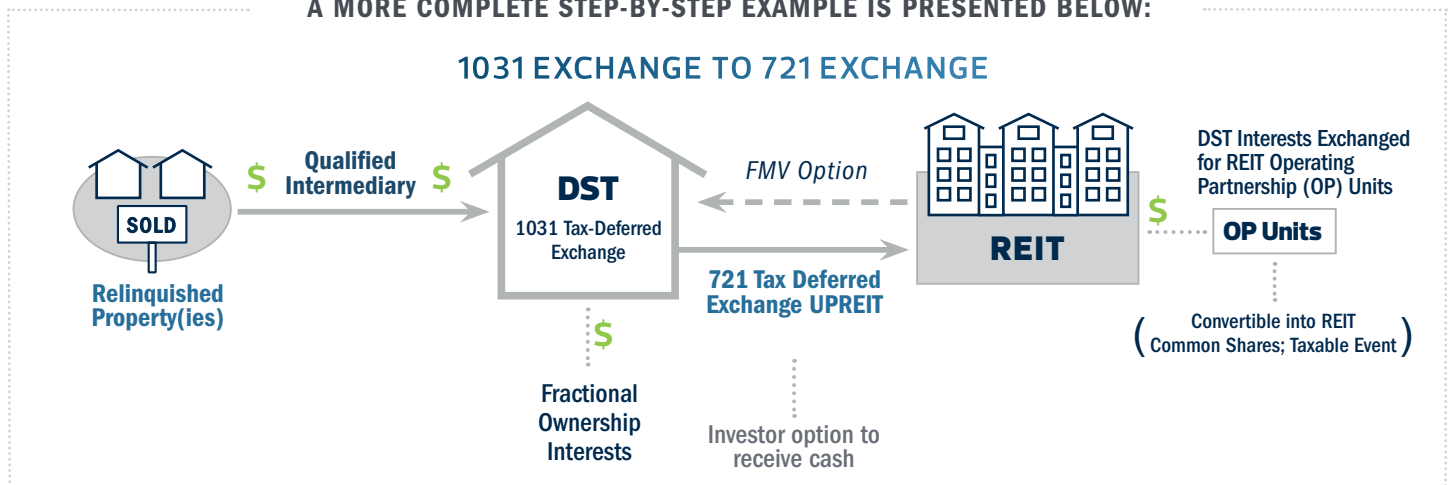
Rather than exchanging ownership in real property that has been held for productive use in a trade or business or for investment for another like-kind property, a 721 Exchange allows an investor to contribute such ownership in real property directly to the operating partnership of a real estate investment trust (“REIT”) – the entity through which the REIT acquires and owns its properties – in exchange for OP Units. This transaction is commonly referred to either as a “721 Exchange” or an “UPREIT transaction” and is referred to herein as a “FMV Option” and is frequently used by property owners seeking passive ownership, increased diversification of their holdings while continuing to defer capital gains taxes during the period where the investor holds OP Units⁷.

THE FOLLOWING REPRESENTS THE TWO-STEP PROCESS OF A SECTION 721 EXCHANGE IN A DST/UPREIT PLATFORM:

1. DST PHASE: The investor sells the relinquished property and completes a section 1031 exchange by acquiring fractional ownership interest in a Delaware Statutory Trust (“DST”) which serves as their replacement property.

2. OP UNIT PHASE: Beginning after a two-year holding period, the REIT’s operating partnership will have the option to compel the investors to contribute their fractional ownership interest in the DST through a 721 exchange for OP Units in a REIT’s operating partnership. There is no assurance that the FMV Option will be exercised at any time or at all.

A MORE COMPLETE STEP-BY-STEP EXAMPLE IS PRESENTED BELOW:



⁷ Section 721 of the Internal Revenue Code of 1986, as amended, contains specific requirements that must be met in order to qualify for the tax deferral provided by such provision. Following a Section 721 Exchange, the Beneficial Owners will no longer be considered to own, for federal income tax purposes, a direct ownership in the Properties and will no longer qualify for a future Section 1031 Exchange with respect to the Properties. Nothing contained in this brochure constitutes tax advice, and individuals should consult their own tax and other advisors when considering such transactions.

BR Diversified Industrial Portfolio II, DST

ABOUT BGR EXCHANGE II TRS, LLC (“BGRX”)

BGRX is a wholly owned taxable REIT subsidiary (“TRS”) of Bluerock Industrial Holdings, LP, a Delaware limited partnership. BGR and BGRX are externally managed by an affiliate of Bluerock Real Estate, L.L.C. and Bluerock Value Exchange, LLC (“BVEX”). BVEX is a national sponsor of syndicated Section 1031 Exchange offerings with a focus on residential and industrial properties that can deliver stable cash flows and that have the potential for value creation. Bluerock principals have a collective 100+ years of investing experience with more than \$120 billion real estate and capital markets experience and manage multiple well-recognized real estate private and public company platforms. Bluerock has more than \$15 billion in acquired and managed assets and offers a complementary suite of public and private investment programs, with both short and long-term goals, to individual investors seeking solutions aimed at providing predictable income, capital growth, and tax benefits.

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 taxable 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 Properties 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 or OP Units;
 - the holding of a beneficial interest in the Parent Trust with no voting rights with respect to the management or operations of the Trusts or in connection with the sale of the Properties;
 - risks associated with owning, operating and leasing industrial properties and real estate generally;
 - the impact of an epidemic in the areas in which the Properties are located, or a Pandemic, either of which could severely disrupt the global economy;
 - economic risks with a fluctuating U.S. and world economy;
 - performance of the Master Tenants under the Master Leases;
 - the Parent Trust indirectly depends on the Master Tenants for revenue, and the Master Tenants will depend on the End Tenants for revenue. Any default by the Master Tenants or the End Tenants will adversely affect the Parent Trust’s operations;
 - reliance on the Master Tenants and the Property Manager (and in certain events a property sub-manager, if one is engaged) engaged by the Master Tenants, to manage the Properties;
 - risks associated with the Operating Partnership funding the Demand
- Notes that capitalize the Master Tenants to the respective Operating Trust;
 - the existence of various conflicts of interest among the Sponsor, the Depositor, the Trusts, the Master Tenants, the Manager, the Property Manager, BGR, the Operating Partnership, 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;
 - risks relating to the costs of compliance with laws, rules and regulations applicable to the Properties;
 - risks related to competition from properties similar to and near the Properties;
 - The Dunn Road Property and Pioneer Avenue Property are located in a “hurricane susceptible zone” and the Scott Futrell Drive Property is located at or near the dividing line of a hurricane susceptible zone, which increases the risk of damage to the Properties; and
 - the possibility of environmental risks related to, on or adjacent to the Properties.

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(c) 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)