



BR Jefferson Place, DST

5835 WHITE LAKE LANE, FREDERICK, MARYLAND 21703



Jefferson Place (the “Property”) represents an opportunity to invest in a newer (built in 2017) Class A, apartment community in a planned mixed-use technology park in Frederick, MD, a Washington Metro suburb.

Newly Constructed Apartment Community in Planned Master Development Park within Emerging Submarket

The Property is located in Frederick, MD on the northern edge of “DNA Alley”, Maryland’s celebrated bioscience corridor. Its new, modern appeal and top-of-the-market amenities stand out among older product in Frederick and offer a lifestyle previously unavailable in the submarket. The affluent resident base has easy access to major employers in Frederick and the I-270 corridor. The Property is less than a 10 minute drive to historic downtown Frederick and is also the landmark development for the Jefferson Technology Park (the “Park”), a planned, adjacent mixed-use community of residential homes, office space, retail space, and a hotel. The full build out of the Park is expected to further enhance the already robust tenant demand for the Property.

BR Jefferson Place, DST (the “Trust”) seeks to provide monthly cash flow distributions and capital appreciation from rising rents and property values associated with full build out of the Park and the continued growth of Frederick.

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 Jefferson Place, 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. 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.*



POOL AREA

Key Investment Considerations

BR JEFFERSON PLACE, DST

- The Property is **newly constructed with top-of-the-market amenities**, providing a strong competitive advantage to other submarket properties.
- **Affluent demographic base at the Property level and the submarket** with \$100,000+ average annual household income at the Property and submarket. (Source: Colliers International Appraisal dated July 20, 2018)
- **Part of the planned Jefferson Technology Park**, a planned 173-acre, mixed-use development expected to comprise approximately 2.56 million square feet of commercial and residential space at final build out. It is expected to consist of nearly 800,000 square feet of office space, over 190,000 square feet of retail space, a 175-room hotel, and a mix of 595 for-sale units, and its completion is anticipated to drive additional apartment demand.
- **Commuting access to the nationally recognized I-270 Biotechnology Corridor known as “DNA Alley”**, the Property is within a 20-30 minute drive to one of the top life sciences employment industry clusters in the nation.
- **The property is high-performing**, 96% leased with a nine-month total lease-up period and few concessions, evidence of very high demand for modern, Class A multifamily in the submarket.
- **The Silver Spring-Frederick-Rockville multifamily market and the Frederick County submarket are both very healthy** each with a 95% apartment occupancy rate. Projections call for rising rents and stable high occupancy rates in both the market and submarket. (Source: Axiometrics, Inc., Annual Market Trend Report Q2 2018)
- **Immediate access from a new exit on Highway 15/501, adjacent to the Property providing improved regional access** to the Washington Metro Area. This area, encompassing Baltimore, Washington D.C., and their suburbs, comprises over nine million residents and over \$700 billion in Gross Product¹.

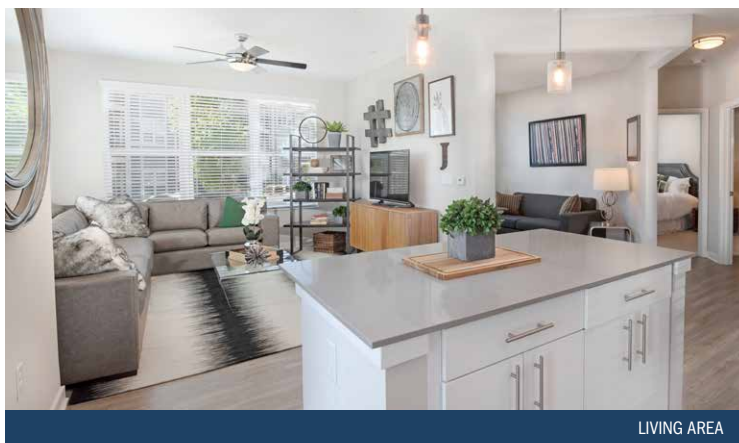


Pictured: (Top) MedImmune Headquarters in Gaithersburg, MD, along “DNA Alley”. (Bottom) United States Capitol building in Washington, D.C.
Note: Purchasers are not purchasing interests in the above properties.

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¹ Gross Product: the total value of all the goods and services produced in a particular place in a particular year.

Investment Overview



LIVING AREA



KITCHEN

Business Plan

Bluerock Value Exchange, LLC (“BVEX”) will seek to add value to the Property through the implementation of the following items (further detailed in the “Business Plan” section of the Memorandum):

- Institute a nationally recognized third-party property management company to oversee an on-site management team of experienced and enthusiastic professionals;
- Implement state-of-the-art computerized revenue management, leasing, and reputation management systems and programs to maximize revenues;
- Use creative marketing initiatives incorporating local businesses, vendors, sponsorships, and specialized internet search engines.
- Implement a landscaping upgrade program, redesign and activate the outdoor grilling area, create an on-site dog park, and redesign and enhance the business center all to activate the live/work/play/socialize/lifestyle element to drive rental rates and enhance the Property’s value.

OFFERING HIGHLIGHTS

Minimum 1031 Investment: (0.37686% interest)	\$100,000
Assumed Debt (0.37686% interest):	\$138,050
Offering Purchase Price: includes approx. \$675,000 in Supplemental Trust Reserves	\$62,901,952
Equity Offering Amount:	\$26,269,952
Loan Amount:	\$36,632,000
Loan Terms:	57.99% Loan-to-Capitalization; 10-Year Term; 4.69% Fixed Interest Rate
Purchase Price per Unit: ²	\$272,145
Projected Hold Period:	Approx. 7-10 Years
Current Cash Flow:	5.10% annual rate, paid monthly (“Additional Rent”); and 90% of revenues above breakpoint, paid annually**

The Master Lease

The Trust will lease the Property to an affiliate of Bluerock, BR Jefferson Place 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.

As part of 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.*

² Figure rounded and represents initial Trust purchase price, offering fees and expenses, excluding Lender Reserves and Supplemental Trust Reserves.

* There is no guarantee Purchasers will receive distributions or a full return of capital. See “Risk Factors” and “Master Lease” sections in the Memorandum. Pursuant to the Master Lease, the projected current cash flow is comprised of: (i) Additional Rent, if attained, of 5.10% per annum paid on a monthly basis; and (ii) Supplemental Rent, if attained, paid on an annual basis. The results shown may not occur, and your performance could vary significantly.

** Pursuant to the Master Lease, the projected current cash flow is comprised of: (i) Additional Rent, if attained, of 5.10% per annum paid on a monthly basis; and (ii) an amount equal to 90% of the amount by which annual gross revenues exceed the Supplemental Rent Breakpoint, paid on an annual basis. Current cash flow is not indicative of future results.



EXTERIOR VIEW

ABUNDANT COMMUNITY AMENITIES

- South Beach-inspired swimming pool,
- Clubroom with double-sided fireplace,
- Fitness center with private training room featuring Virtual Fitness on Demand™,
- Poolside grilling areas and yard game greenspace,
- Outdoor social space with Modfire™ Fireplace, resort style furniture and community dining table,
- Indoor bar area with pub-style seating and catering kitchen,
- Game room with pool table and shuffleboard,
- Detached garages (in select units),
- Indoor bike storage,
- Separate storage units,
- Resident portal with online payment and maintenance request services, and
- A smoke-free community.

TOP OF THE MARKET UNIT AMENITIES

- Modern kitchens with white cabinets and gray quartz counters,
- Chef-inspired stainless steel sink and appliance package,
- Pendant-lighted kitchen islands,
- Hardwood-style flooring throughout,
- Washer and dryer in each unit,
- Oversized walk-in closets with built-in storage system,
- Patios/balconies in each unit,
- Electric outlets with USB ports, and
- Elevator service in select buildings.

PROPERTY SUMMARY

The Property offers lifestyle features, high-quality construction and an amenity-rich living space in one-, two-, and three-bedroom apartment floor plans.

YEAR COMPLETED: 2017

CLASS: A

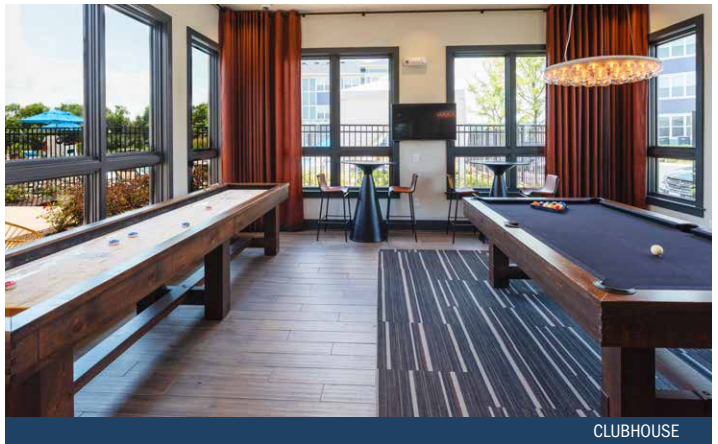
BUILDINGS: 7

ACRES: 7.5

NUMBER OF UNITS: 228

AVERAGE UNIT SIZE: 1,003

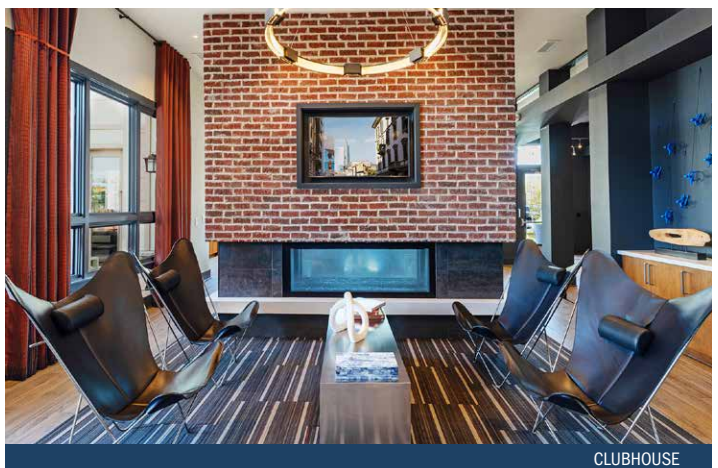
TOTAL SQUARE FEET: 228,619



CLUBHOUSE



FITNESS CENTER



CLUBHOUSE



EXTERIOR VIEW

WHY APARTMENTS?

The "Millennial Generation", at more than 86 million and already exceeding that of the "Baby Boomers" at similar ages, is expected to grow larger over the next 20 years as immigration (typically of young adults) continues to increase.

Although they are only now beginning to live on their own, "Millennials" will likely form even more households than the "Gen-Xers" and the "Baby Boomers". In fact, according to a recent study by the National Multifamily Housing Council ("NMHC"), the United States is projected to add **4.6 million new renter households** by 2030.

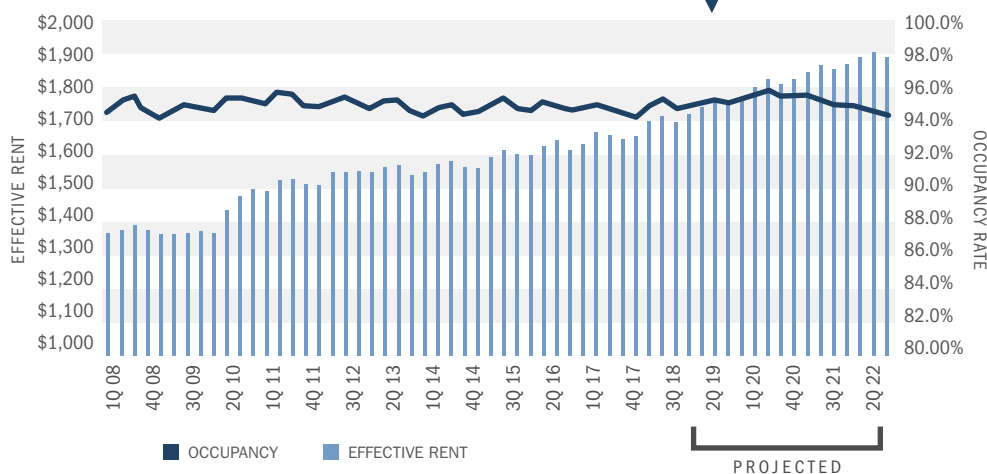
59% OF THE **22 MILLION** new households that will form **BETWEEN 2010 and 2030** will rent³

The Washington Metro apartment market has a robust **96.0% occupancy rate**. Rental rates have risen steadily since 2009 and Axiometrics forecasts effective rent increases of 12% through 2022 driven by a projected average occupancy rate of over 95%.⁴

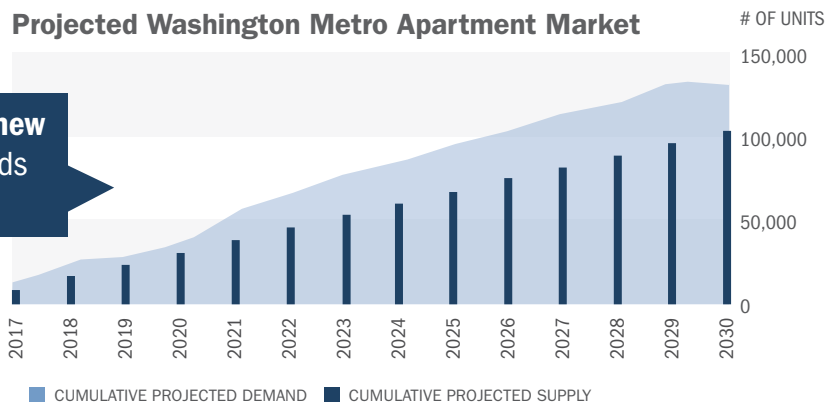
Washington Metro is projected to add **128,000 new renter households** by 2030. Current supply trends will fall short of this demand.

Silver Spring-Frederick-Rockville, MD Market Trends

12% effective rent increase projected through 2022



Projected Washington Metro Apartment Market



³ Decennial Censuses and Urban Institute projections June 2015.

⁴ Axiometrics Silver Spring-Frederick-Rockville Market Trend Report Q2 2018.

(Source: NMHC "U.S. Apartment Demand - A Forward Look", May 2017).

Regional Overview

The Washington Metro area consists of the District of Columbia, five cities and nine counties in Virginia, and the West Virginia county of Jefferson. The region's largest city is Washington, D.C.; it also includes other large cities such as Bethesda and Frederick in Maryland, Arlington and Alexandria in Virginia. The Washington Metro is part of the Washington CSA which is comprised of approximately 9,764,315 residents, ranked fourth of 171 CSAs in the nation. The region generates over \$700 billion in Gross Product¹.

(Source: U.S. Census Bureau)

The Maryland suburbs located along I-270 of the Washington Metro form a celebrated bioscience industry cluster. Over 370 bioscience companies call the I-270 "Bio Corridor" home. Located at the doorsteps of Washington, D.C., the region is close to important federal laboratories, agencies, and regulatory organizations. With an excellent quality of life and well-educated and trained workforce, the region is poised to be a top three biotech hub by 2023. (Source: Maryland's I-270 Bio Corridor)

Frederick, Maryland's second largest city, is the northern post of this steadily-expanding corridor known as "DNA Alley". The corridor connects Frederick County with Washington, D.C. and hosts a multitude of highly-acclaimed biotechnology and pharmaceutical companies, federal government laboratories and educational institutions. Frederick is home to dozens of such companies, including Life Technologies Corporation, Lonza, SAIC, Leidos, MedImmune, Akonni Biosystems, Charles River Laboratories, and ASRL Pathology. (Source: CBRE)

The Appraisal sums up the regional economy as one that "continues its transition from one heavily reliant on the government sector to an increasingly service-based economy. The Washington Metro, however, benefits from a well-educated population and is ranked as one of the highest educated metropolitan areas in the nation. The Washington Metro Area has positive population growth and one of the highest median household incomes of the nation." (Source: Colliers International Appraisal dated July 20, 2018)

WASHINGTON METRO FACTS

- **6.2 million residents**
(Source: U.S. Census Bureau)
- **2.65 million total employment**
(Source: Bureau of Labor Statistics)
- **3.2% unemployment rate**
(Source: May 2018, Bureau of Labor Statistics)
- **\$95,843 annual median household income**, more than 1.5 times the national average
(Source: censusreporter.org)
- **24% of residents with a graduate or professional degree** (Source: Society for Human Resource Management)
- **50.2% of residents with a bachelor's degree or higher**, more than 1.5 times the national rate (Source: censusreporter.org)





TOP FREDERICK EMPLOYERS	
1	 MedImmune 2 MILES AWAY 700 EMPLOYEES Underwent \$200M Expansion that added 40,000sf & 300 Jobs
2	 HOOD COLLEGE 4 MILES AWAY 419 EMPLOYEES
3	 FREDERICK MEMORIAL HOSPITAL 4 MILES AWAY 2,379 EMPLOYEES
4	 leidos 5 MILES AWAY 2,050 EMPLOYEES
5	 U.S. ARMY 5 MILES AWAY 6,000 EMPLOYEES Fort Detrick- Frederick County's #1 Employer
6	 FCC Frederick Community College 6 MILES AWAY 1,086 EMPLOYEES
7	 State Farm 7 MILES AWAY 850 EMPLOYEES

Local Overview

According to the Appraisal, Frederick is the business, financial, and cultural center of the county. The largest employers in Frederick are spread across diverse industries that include military, healthcare, finance, and education. Fort Detrick is the largest employer in the city. A U.S. Army Medical Command installation, Fort Detrick hosts the majority of the U.S. biological defense program. The 1,200-acre campus conducts biomedical research and has a workforce of approximately 7,000. The education sector is supported by Frederick Community College, with an annual enrollment of approximately 6,000 students. Significant sources of employment within the healthcare sector include the National Cancer Institute-Frederick and Frederick Regional Healthcare. Retail presence primarily consists of restaurants, big box retailers, shopping centers, and locally owned businesses.

Frederick County also has over 30 industrial and office parks with available sites ranging from one to 200 acres with access to an extensive transportation network. The inventory of available office, flex and industrial space totals over 3 million square feet. The following are selected industrial sites in the Frederick area: 270 Technology Park, Ballenger Creek Center, Center at Monocacy, Dudrow Business Park, Frederick Airport Park, Frederick County Advanced Tech Park, Intercoastal Industrial Center, Jefferson Tech Park, Knowledge Farms, Omega Center, Riverside Industrial Park, Stanford Industrial Park, Urbana Office & Research Center, Wedgewood Business Park, and Westview Corporate Campus. Opportunities for information technology, bioscience or manufacturing operations are offered at all of these locations.

Recognized as a Great American Main Street, historic downtown Frederick (four miles from the Property) is characterized by 18th and 19th century buildings which host an array of specialty shops, popular restaurants, antique dealers, art galleries, wineries and unique attractions including: Volt, Family Meal, The Tasting Room, Flights of Fancy, The Muse, The Canal Bar & Grill, Olives, Flying Dog Brewery, Brewer's Alley Restaurant & Bar, LaPaz, Firestone's Culinary Tavern, Juliet's Italian Market & Cafe, Shab Row Bistro & Wine Bar, The Loft at Antique Imports, Antiques Folly, Berrywine Plantations Linganore, Winecellars and Pryor's Orchard. Downtown Frederick is also a recognized Maryland Arts & Entertainment District, as Carroll Creek Park, the anchor of down-town, features a 350 seat amphitheater for outdoor performances.



Pictured: Carroll Creek Park in Frederick, MD

Note: Purchasers are not purchasing interests in the property pictured above.

BR Jefferson Place, DST

Delaware
Statutory Trust
(DST)

www.bluerockexchange.com

About Bluerock Value Exchange, LLC

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. BVEX is an affiliate of Bluerock Real Estate, L.L.C., a private equity real estate investment firm that sponsors a portfolio currently exceeding 25 million square feet of primarily apartment and office real estate, including approximately \$1.2 billion in total property value and over 7.8 million square feet of property. Bluerock's senior management team has an average of over 25 years investing experience, has been involved with acquiring over 35 million square feet of real estate worth approximately \$10 billion, 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 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 the Interests and lack of diversity of investment;
- the holding of an Interest in the Trust with very limited voting rights with respect to the management or operations of the Trust or in connection with the sale of the Property;
- owning, financing, operating and leasing a multifamily apartment complex and real estate generally in and around Frederick, Maryland;
- those incident to the ownership of real property, including changes in national and local economic conditions, changes in the investment climate for real estate investments, changes in the demand for or supply of competing properties, changes in local market conditions and neighborhood characteristics, the availability and cost of mortgage funds, the obligation to meet fixed and maturing obligations (if any), unanticipated holding costs, the availability and cost of necessary utilities and services, changes in real estate

tax rates and other operating expenses, changes in governmental rules and fiscal policies, changes in zoning and other land use regulations, environmental controls, acts of God (which may result in uninsured losses) and other factors beyond the control of the Trust;

- performance of the Master Tenant under the Master Lease;
- there is no assurance that the Property can achieve or maintain the occupancy level or rate increases anticipated. If assumptions are not correct, anticipated results will not be achieved and the rate of return may be lower than that projected;
- the projected cash flow is speculative and based on certain assumptions, i.e., maintaining certain occupancy levels and certain net rental rates;
- reliance on the Master Tenant, the Property Manager engaged by the Master Tenant, and the Property Sub-Manager subcontracted by the Property Manager to manage the Property;
- the Sponsor funding the demand note that capitalizes the Master Tenant;
- the terms of the financing for the Property and the use of leverage, which presents an additional element of risk in the event that the cash receipts from the operation of the Property are insufficient to meet the principal and interest payments on such indebtedness. In order to comply with tax requirements for Section 1031 exchanges, the Trust is not permitted to obtain new financing and Purchasers of Interests are not permitted to make additional capital contributions to the Trust. Thus, if the cash flow from the Property is insufficient to allow the Master Tenant to make the required payments under the Master Lease, including payments required to service the Loan, the Lender may foreclose on the Property and the Purchasers' equity in the Property may be reduced or lost entirely;
- acquisition of the Interests may not qualify as a Section 1031 exchange, which depends on the specific facts involved, including, without limitation, the nature and use of the relinquished property and the method of its disposition, the use of a qualified intermediary and a qualified exchange escrow, the lapse of time between the sale of the relinquished property and the identification and acquisition of the replacement property and no opinion or assurance being provided to the effect that any individual prospective Purchaser's transaction will qualify under Section 1031;
- the existence of various conflicts of interest among the Sponsor, the Trust, the Master Tenant, the Property Manager and their affiliates;
- material tax risks, including treatment of the Interests for the purposes of Section 1031 and the use of exchange funds to pay acquisition costs, which may result in taxable boot; and
- competition from properties similar to and near the Property.

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 501 of Regulation D of the Securities Act of 1933.

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



712 FIFTH AVENUE | 9TH FLOOR | NEW YORK, NY 10019 | WWW.BLUEROCKEXCHANGE.COM

Securities Offered Through **Bluerock Capital Markets LLC**
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