

243-Unit Apartment Community Adjacent
to Northwood Country Club Golf Course in
Growing Gwinnett County (Atlanta), Georgia



Section 1031 Exchange/DST Investments

CS1031 Fairway View Apartments, DST

3348 Fairway Oaks Drive, Lawrenceville, Georgia 30044

S U B U R B A N A T L A N T A

Offering Details

INVESTMENT COST
\$32,105,000

EQUITY RAISE
\$13,775,000

CASH-ON-CASH RETURN
6.0%

OFFERING LOAN TO VALUE
57.09%

FIXED INTEREST RATE
3.69%

LOAN TERMS
10-Year Term
30-Year Amortization
60 Months Interest Only

The property qualifies for Fannie Mae's
Green Financing Program - lower utility
bills and reduced interest rate

A **Cost Segregation Study** will be avail-
able to help investors maximize tax benefits

6% - Year 1 Distribution Rate

www.capitalsquare1031.com

Property Highlights



- 243-unit apartment community was constructed in 1974 and updated over the past two years
- Community is adjacent to the 200-acre Northwood Country Club golf course - premier country club within Gwinnett County - offering beautiful views and landscaping
- Approximately 40 percent of units are townhomes, a desirable floor plan for families

STABILIZED PROPERTY

The property is stabilized as a result of capital expenditures completed by the prior owner. Approximately 80 percent (188) of the units have been updated with new black appliances, vinyl flooring, lighting/plumbing fixtures, cabinets and faux granite counters. These renovated units are generating a premium of approximately \$50 per month over the remaining 45 unrenovated units. An additional 10 units have been upgraded to higher standards, generating a premium of \$250 over unrenovated units of same floor plan.

Property in excellent school district; stable cash flow with upside from unit upgrades.



Property Overview

- One-, two-, three- and four-bedroom units with an average size of 1,089 square feet
- Located on 20.36 acres of land
- 264,716 net rentable square feet
- Occupancy: 94% as of August 2017
- 26 two- and three-story residential buildings and stand-alone clubhouse/office, laundry and maintenance buildings

Type	# Of Units	% Of Units	Size (SF)
1BR-1BA, Garden	50	21	800
2BR-1BA, Garden	30	12	936
2BR-1.5BA, Garden	40	16	1,040
2BR-1.5BA, Townhouse	55	23	1,140
3BR-2BA, Garden	24	10	1,184
3BR-1.5BA, Townhouse	9	4	1,290
3BR-2.5BA, Townhouse	18	7	1,395
4BR-2.5 BA, Townhouse	17	7	1,600
Total/Average	243 Units		1,089 Avg. SF

Community Amenities

- Golf Course Views
- Clubhouse
- Coffee & Tea Bar
- Playground
- Sports Court
- Swimming Pool
- Grilling/Picnic Area
- Outdoor Amenity Area
- Pet Walk & Care Stations
- Laundry Facility
- Kroger, Publix and WalMart within 5 miles

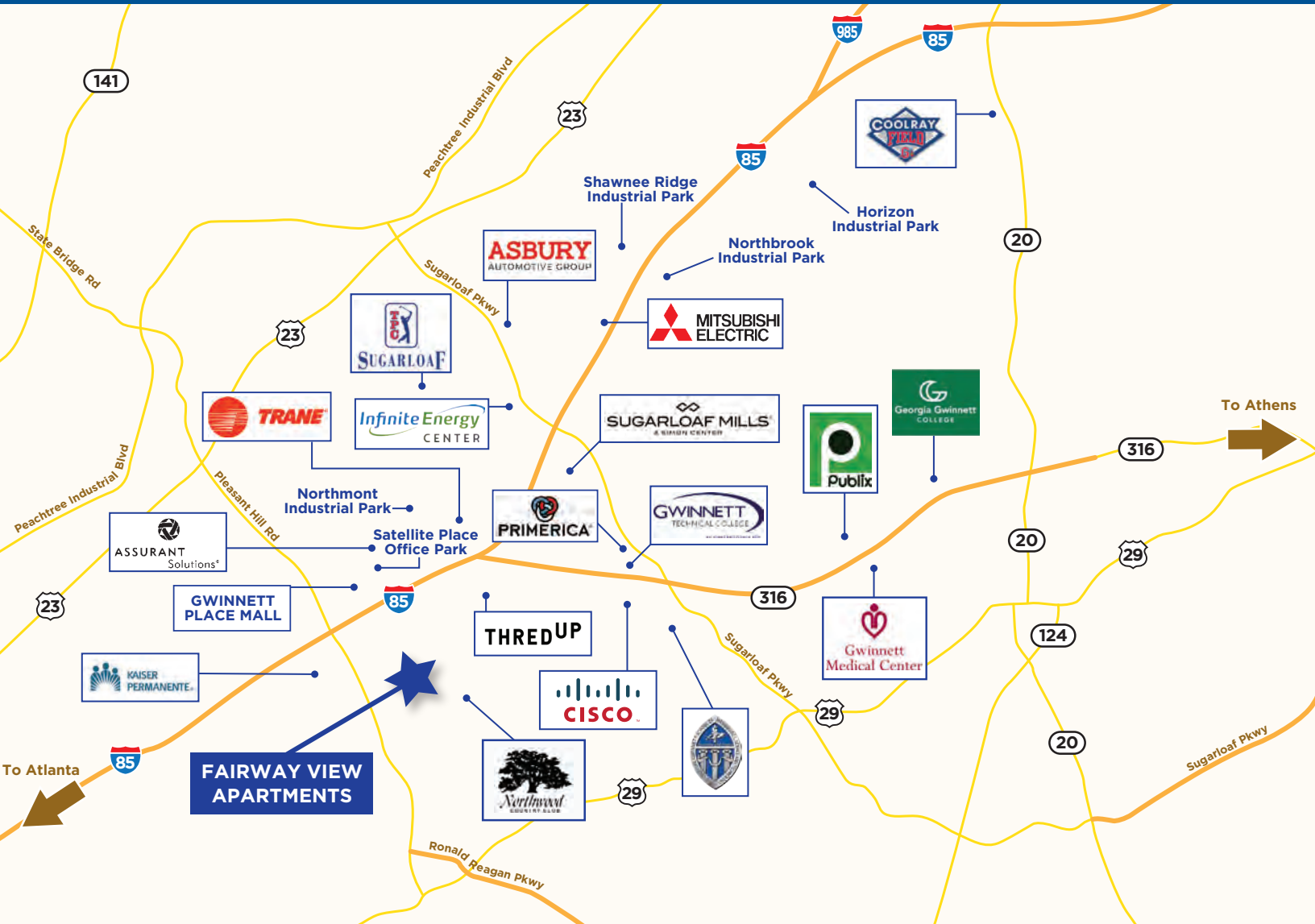
Excellent Property Location



WELL-CONNECTED TO ATLANTA'S JOB GENERATORS AND RETAIL SERVICES

Distance to Employment Drivers

- **Sugarloaf Parkway**
3 miles | 50,000 jobs
- **Lilburn**
4.5 miles | 2,540 employers
- **Norcross**
5.5 miles | 2,000 jobs
- **Snellville**
7 miles | 3,827 employers
- **Tucker**
10 miles | 3,889 employers
- **Emory/CDC/Druid Hills**
14 miles | 40,000 jobs
- **Midtown & Downtown**
18 miles | 185,000 jobs
- **Conyers**
19 miles | 1,937 employers
- **Covington**
25 miles | 1,937 employers
- **Airport**
25 miles | 63,200 jobs (500,000 ancillary jobs)



LOCATION

The property is located off Pleasant Hill Road about 1.5 miles from I-85, within Gwinnett County. Located northeast of Atlanta, Gwinnett County has a population estimated by the U.S. Census Bureau of 907,000 as of 2016, compared to 805,000 in the 2010 census. Residents benefit from access to the region’s major employment hubs, strong educational system, upscale shopping, and numerous entertainment venues.

Property has access to more than 11.6 million square feet of retail space in a 3-mile radius.

DISTANCE TO INTERSTATES/MAJOR ROADWAYS

I-85	0.9 miles
Highway 378	1.5 miles
I-285	9 miles

About Gwinnett County

Atlanta's fastest growing area, Gwinnett County experienced an 8.2% growth in population between 2010 and 2016



Gwinnett County is one of the 100 fastest growing counties in the United States, according to U.S. Census Bureau's 2015 American Community Survey

ENTERTAINMENT

Entertainment venues in Gwinnett include the TPC at Sugarloaf golf course, the 13,000 seat Gwinnett Infinite Energy Arena, and the 10,000 seat Coolray Field, which is home to Gwinnett Braves, the minor league baseball team for the Atlanta Braves.

EDUCATION

Gwinnett County public schools have been recognized for achievement and attract families to the county. The Gwinnett School of Mathematics, Science, and Technology has been one of the top rated public schools in Georgia while Gwinnett's higher education options include Gwinnett Technical College and Georgia Gwinnett College. Georgia Gwinnett College, a member of the University System of Georgia, opened in 2006 and already has enrollment of over 12,000 students.

4.2% unemployment rate* as of May 2017

*U.S. Bureau of Labor Statistics

MAJOR EMPLOYERS

Some of the major employees in Gwinnett County include:

- Primerica, which opened a new 365,000 SF headquarters in 2013 and employs 1,600
- Kaiser Permanente, which opened its \$51 million, 185,000 SF Duluth Contact Center in 2017, currently employs 300 and is expected to employ 800 by 2020
- ThredUP, which opened its distribution and warehouse operation in 2016 and is expected to add 300 jobs
- Cisco Systems, formerly Scientific Atlanta, which employs approximately 1,600 at its 300-acre corporate campus in Lawrenceville
- Mitsubishi Electric, which opened a 555,000 SF facility in 2013 and employs 400
- Gwinnett Medical Center, a 553-bed acute-care hospital that employs over 5,300

RENT GROWTH AND LOW VACANCY

Over the last decade, only 11 new market rate apartment communities have delivered in Gwinnett County as a result of opposition to new development from local communities. Inventory growth was half the rate for Atlanta overall during this period, according to CoStar. Little new supply as well as population growth, employment growth and excellent schools have supported low vacancy and rent growth. Rent growth in the Gwinnett County submarket was 3.2 percent in the 12 months ending the second quarter 2017 with a vacancy rate of 6.5 percent.



ATLANTA

The demand for multifamily housing in Atlanta is supported by long term population and employment growth in the metropolitan area driven by the region's diverse economy, low cost of living, major university systems and transportation infrastructure. Between the 2000 and 2010 Census, the Atlanta MSA population increased by 24.0 percent, and according to estimates by the U.S. Census Bureau, the population increased an additional 10.5 percent between 2010 and 2017 to about 5.8 million people. The population of Atlanta is expected to reach 6.2 million by 2022.

Atlanta is one of the nation's top performing job markets. The Atlanta MSA has led the Southeast in job creation. Atlanta added 94,100 jobs (3.5 percent), the second-most nationally of all major metros as of June 2017. The MSA's unemployment rate is 4.5 percent as of May 2017.

Major corporations with headquarters throughout Atlanta include UPS, Coca-Cola, The Home Depot, Delta Airlines, Cox Enterprises, and the Southern Company. In fact, Metro Atlanta ranks fifth after New York, Houston, Dallas, and Chicago as a Fortune 500 headquarters city.



About Capital Square

Capital Square 1031, LLC specializes in the creation and management of real estate investment programs for Section 1031 exchange investors and other investors using the Delaware Statutory Trust structure. Louis J. Rogers, founder and chief executive officer of Capital Square, has been involved in the creation and management of more than 100 investment offerings totaling over \$3 billion, including DST, tenant-in-common, numerous real estate funds, and multiple publicly registered non-traded real estate investment trusts.

FOR SALES AND OTHER INFORMATION, CONTACT

Capital Square 1031, 10900 Nuckols Road, Suite 200, Glen Allen, VA 23060

Toll Free: (877) 626-1031 • Telephone: (804) 290-7900 • Fax: (804) 290-0086 • www.capitalsquare1031.com

NATIONAL CONTACTS

Louis J. Rogers, CEO

Cell: (804) 833-1031

LRogers@CapitalSquare1031.com

Kim S. Watts, VP, Investor Relations

Office: (804) 290-7900 x 102

KWatts@CapitalSquare1031.com

Seth Harris, EVP, Investments

Office: (804) 290-7900

SHarris@CapitalSquare1031.com

Securities offered through Arete Wealth Management, LLC, Member FINRA/SIPC. Capital Square and Arete Wealth Management are not affiliated.

Consider the Risks

An investment in the Interests involves substantial investment and tax risks, including, without limitation, the following risks:

- There are various risks associated with owning, financing, operating, and leasing commercial properties in Georgia.
- The Interests do not represent a diversified investment.
- Beneficial Owners must completely rely on the Master Tenant to collect the rent and operate, manage, lease, and maintain the Property.
- The Beneficial Owners have no voting rights with respect to the management or operations of the Trust or in connection with the sale of the property.
- There are various conflicts of interest among the Trust, the Sponsor, the Signatory Trustee, and their Affiliates.
- The Interests are illiquid.
- There are tax risks associated with an investment in the Interests.
- There are risks related to competition from properties similar to and near the property.
- There may be environmental risks related to the property.