

CS1031 High Ridge Apartments, DST

700 Mitchell Bridge Road | Athens, Georgia 30606

ACQUIRED: DECEMBER 8, 2017



96% Occupancy as of December 2017

www.CapitalSquare1031.com

Offering Details

INVESTMENT COST	\$18,695,000
EQUITY RAISE	\$ 8,555,000
OFFERING LOAN TO VALUE	54.24%
FIXED INTEREST RATE	3.73%
LOAN TERMS	10-Year Term 30-Year Amortization 60 Months Interest Only

PROPERTY HIGHLIGHTS

- 160-unit apartment community constructed in 1987 with nearly \$2 million in renovations since 2013
- 11 two and three-story residential, garden-style apartment buildings, a leasing office and clubhouse
- Property is near 20,000+ jobs offered by leading employers in Athens¹

¹<https://www.athensclarkecounty.com/DocumentCenter/Home/View/535>

Community Amenities

- 24/7 Emergency Maintenance
- Clubhouse
- Fitness Center
- Grilling Area
- Lighted Tennis Court
- Onsite Maintenance
- Onsite Management
- Playground
- Swimming Pool
- Close to Park

Unit Amenities

- Ceiling Fans
- Custom Cabinetry
- Energy Efficient Appliances
- Granite Countertops
- Private Balcony
- Private Patio
- Walk-In Closets
- Washer/Dryer Hookup
- Wood Burning Fireplace*
- Wood-Style Flooring

*In select units

Floor Plan	Unit Size (Square Feet)	# of Units
1 Bedroom 1 Bathroom - Partially Renovated	925	4
1 Bedroom 1 Bathroom - Fully Renovated	925	28
2 Bedroom 1 Bathroom - Partially Renovated	1,164	2
2 Bedroom 1 Bathroom - Fully Renovated	1,164	14
2 Bedroom 2 Bathroom - Partially Renovated	1,317	16
2 Bedroom 2 Bathroom - Fully Renovated	1,317	64
3 Bedroom 2 Bathroom - Partially Renovated	1,338	3
3 Bedroom 2 Bathroom - Fully Renovated	1,338	29
Total / Average	1,228	160



Property Overview

Newly renovated one-, two- and three-bedroom apartment units with an average size of 1,228 square feet

Located on 17.99 acres of land

Occupancy: 96% as of December 2017



INVESTMENT HIGHLIGHTS

Favorable Rental Market

Athens is a strong multifamily market:

- Occupancy over 95 percent*
- Rent growth of nearly 5 percent**
- Average household income of \$60,926***

* <https://www.forbes.com/sites/axiometrics/2017/01/30/how-7-under-the-radar-apartment-markets-have-changed/#1217926b2661>

** https://www.redandblack.com/athensnews/despite-annual-rise-athens-rents-remain-below-georgia-us-averages/article_62df89be-d5cc-11e5-aefd-a7ed71d66a3d.html

*** <https://www.forbes.com/places/ga/athens/>

No Recent Construction/High Barriers to Entry

With strict zoning requirements and scarcity of developable land in the area, limited new multifamily properties have been developed in Athens over the past 10 years. High Ridge Apartments offers investors a significant opportunity to enter this high barriers to entry market.

Proximity to Amenities

Situated in Athens-Clarke County, the property is close to Athens Perimeter 10, Highway 78 and Highway 129. Residents benefit from access to the region's nature parks, entertainment venues, upscale shopping hubs and numerous dining options.

Favorable Purchase Price

The property was acquired for \$100,000 below the appraised value.

Well-Maintained, Stable Asset with Recent Capital Improvements

The property has a track record of stable performance. Approximately \$2 million in capital improvements have been made since 2013.

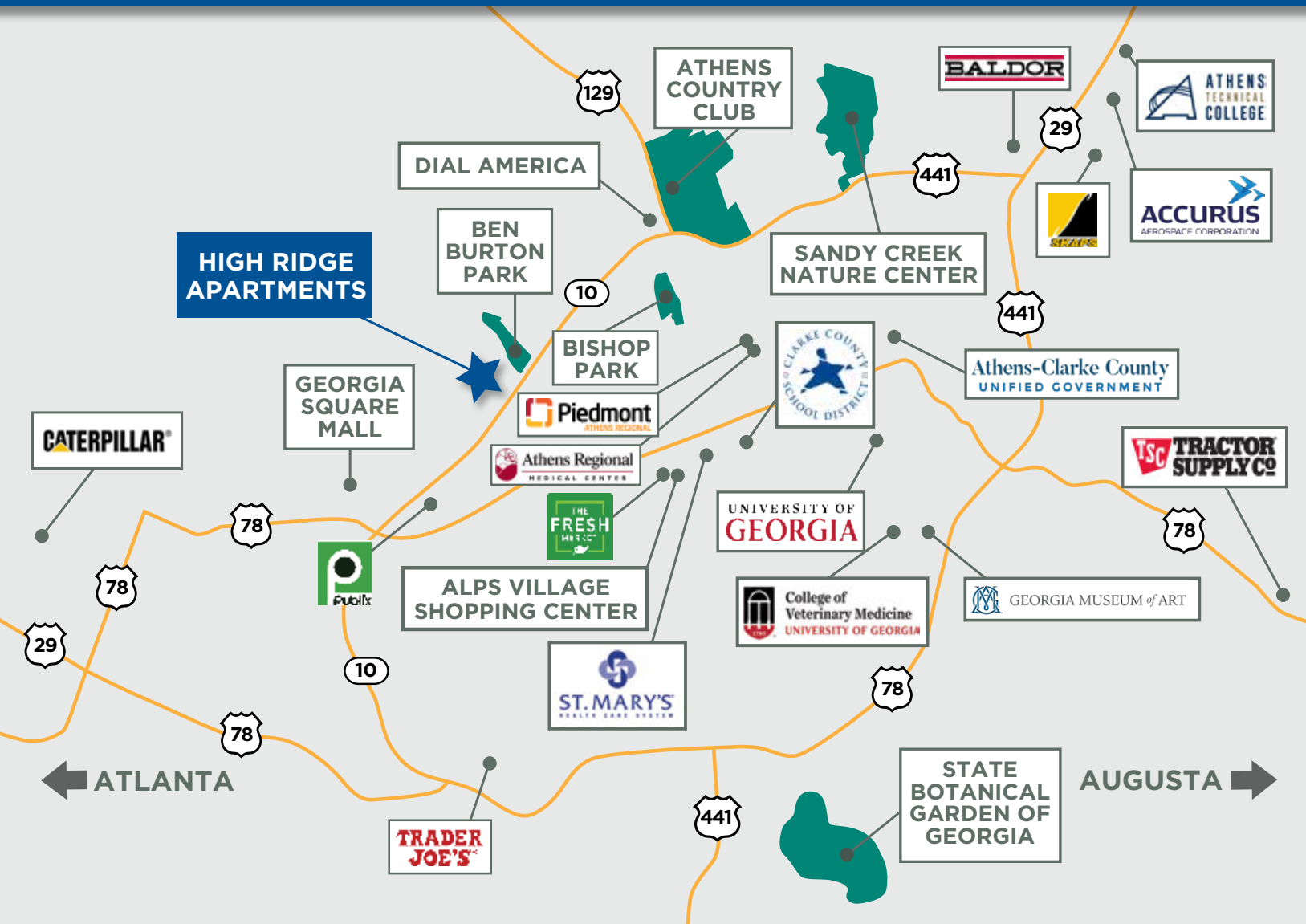
Participation in Fannie Mae's Green Financing Program

The property is enrolled in Fannie Mae's Green Financing Program, resulting in lower utility bills and a reduced interest rate.

Currently experiencing strong economic growth and increased employment, Athens-Clarke County was recently ranked among the 100 fastest-growing counties in the nation by the U.S. Census Bureau. The unemployment rate has decreased from 8.0 percent in 2010 to 4.7 percent as of August 2017.



WELL-CONNECTED PROPERTY



Nearby Employment

High Ridge Apartments is less than a 15-minute drive from Athens' top employers, which offer over 21,000 jobs in multiple industries.

Some of the major employers in Athens include:

- University of Georgia (10,000+ jobs)¹
- Piedmont Athens Regional Medical Center (3,500 jobs)²
- Athens-Clarke County Government (1,600 jobs)²
- Clarke County School District (2,800 jobs)²
- Pilgrim's Pride Corporation, (1,800 jobs)²
- Caterpillar (1,500+ jobs)²
- St. Mary's Healthcare System (1,000+ jobs)²

¹<http://www.uga.edu/profile/facts/>

²<https://www.athensclarkecounty.com/DocumentCenter/Home/View/535>



Offering an abundance of retail, restaurant, sports, and music options, Athens is renowned for its entertainment scene. The city is home to The University of Georgia, the State Botanical Garden of Georgia, Georgia Museum of Art and Sandy Creek Nature Center.

THE BIRTHPLACE OF HIGHER EDUCATION – MAJOR UNIVERSITIES

University of Georgia

Chartered by the state of Georgia in 1785, the University of Georgia is the birthplace of public higher education in America. What began as a commitment to inspire the next generation grows stronger today through global research, hands-on experiential learning and extensive outreach. More than 34,500 students are enrolled at the university. One of America's "Public Ivies" and a top 10 best value in public higher



education, the University of Georgia tackles some of the world's grand challenges, from combating infectious disease and securing the world's food supply to advancing economic growth and analyzing the environment. Since 1995, UGA has produced nine Rhodes Scholars, five Gates Cambridge Scholars, six Marshall Scholars, three Mitchell Scholars, 51 Goldwater Scholars, 13 Truman Scholars, and 13 Udall Scholars. The University of Georgia continues to be one of the best values in public higher education in the nation. Top value and low debt at graduation earned UGA 10th-place status on Kiplinger Magazine's 2015 list of 100 best values among public colleges and universities.

University of Georgia Augusta University Medical Partnership

Augusta University and the University of Georgia partnered to create a four-year medical education program in Athens to help alleviate a statewide shortage of physicians that threatens the health of Georgians. The AU/UGA Medical Partnership combines the significant instructional and research resources of UGA,



the state's flagship land-grant research university, with the expertise of the Medical College of Georgia - Augusta University, Georgia's only public medical school. The UGA Medical Partnership enrolls 120 students, and has 680 faculty and staff.



Athens Technical College

Founded in 1958, Athens Technical College is part of the Technical College System of Georgia with regional professional, scientific, dental and nursing accreditations, among others. With approximately 7,500 students, the school offers 32 associates degrees and 53 certificate degree programs.

ATHENS



The properties pictured here depict Athens, Georgia, and are not a part of the fund.

The Athens-Clarke County metro area's public sector is doing the heavy lifting for a strong local economy. After falling to a multi-year low in 2015, payrolls are closing in on historic highs. Private services are likewise lending more support after faltering toward the end of last year. The jobless rate is once again below 5 percent, a cyclical low, but is still above pre-recession levels. Still, income growth is robust, outpacing the strong Georgia average. The strong labor market is propelling the housing recovery; price growth is above average, and builders are responding by raising residential construction.

The demographic data for the neighborhood indicates growth in both population and households since 2010; a trend that is expected to continue. The neighborhood currently has a middle-income demographic profile. Given the observed demographic trends, the neighborhood should continue to grow at a moderate pace.

Source: CBRE Valuation & Advisory Services Report

According to a recent report by Reis.com, Inc., in 2017, the Athens' multifamily market experienced the highest average asking rents on record and an impressive market occupancy rate of 96.4%.

“Best College Football Towns in America” (ranked #2), USA Today Sports

“7 U.S. Cities that are Hipper Than you Think,” Jetsetter

“12 Best Music Towns in the Nation,” Expedia

UGA, one of the “South’s Most Beautiful Colleges,” Southern Living

“Underrated food cities in the south,” USA Today

“Best Small Towns in the South for Retirement,” Southern Living

Wildwood Revival, “Nine Southern festivals well worth adding to the calendar,” Garden & Gun

“Prettiest Town in Every State,” The Daily Meal

“Best Places to Retire in 2017,” Forbes

“2017’s List of Best Places to Retire,” AARP

#2, “Top 5 Mid-sized South Atlantic Cities,” RewardExpert.com

#3, “South’s Best Breweries, 2017,” Southern Living

#7, 10 “Best Botanical Gardens,” USA Today 10Best

#1, “The 24 coolest towns in the USA,” Matador Network

#3, “The Most Overlooked Cities in the USA,” DK Travel

“3 Reasons Athens Rocks this Spring and Summer,” ExploreGeorgia.org

“Top Spring Gardens Worth Traveling For,” FlipKey

“Why Athens Deserves a Spot on Your Bucket List,” StyleBlueprint.com

“8 Film Festivals Worth the Trip,” ExploreGeorgia.org,

“Best Trips 2017,” National GeographicTraveler, December 2016 / January 2017

Terrapin Brewing Company, Top Brewer in Georgia, RateBeer Best Awards, 2016 & 2017





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 DSTs, tenant-in-common offerings, numerous real estate funds, and multiple publicly registered non-traded real estate investment trusts.

FOR SALES AND OTHER INFORMATION, CONTACT

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Securities offered through WealthForge Securities, LLC, the managing broker-dealer for the CS1031 High Ridge Apartments, DST offering and member FINRA/SIPC. Capital Square and WealthForge are not affiliated.

Consider the Risks

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

- Past performance is not a guarantee of future results.
- The economic success of the Interests will depend upon the results of operations of the Property. Fluctuations in vacancy rates, rent schedules, and operating expenses can adversely affect operating results or render the sale or refinancing of the Property difficult or unattractive.
- The Master Tenant's capitalization is supported solely by the cash flow from the underlying tenant lease. The Sponsor is not under any obligation to contribute capital to the Master Tenant.
- No assurance can be given that future cash flow will be sufficient to make the debt service payments on any borrowed funds and also cover capital expenditures or operating expenses.
- No assurance can be given that Beneficial Owners of Interests will realize a substantial return (if any) on their investment or that they will not lose their entire investment in the Trust.
- The Interests are not freely transferable by the Beneficial Owners.
- 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.