

NNN Emberwood Apartments, LLC

AVAILABLE FOR §1031 EXCHANGE ♦ LLC INVESTMENT



Information about the property contained in this material must be read in conjunction with the Confidential Private Placement Memorandum, which contains additional important risk disclosures and more specific information about the property. This is neither an offer to sell nor a solicitation of an offer to buy an LLC interest in this property. Offers are made solely pursuant to the Confidential Private Placement Memorandum. Prospective investors should consult their own tax advisors to evaluate the tax consequences of an investment. The information in this material is current as of October 16, 2007.

THIS INVESTMENT IS SPECULATIVE AND INVOLVES A HIGH DEGREE OF RISK.



Property Summary

Emberwood Apartments is a 296-unit apartment community in Lafayette, Louisiana. Located on more than 14 landscaped acres, the approximately 267,000-square-foot property includes 24 two-story residential buildings and a leasing center. Community amenities include a children's playground, sports court, barbecue and picnic area and two swimming pools. Emberwood Apartments provides an average unit size of approximately 900 square feet, and offers many high-end features, including private washers and dryers, ceiling fans, dishwashers, individual water heaters, wood-burning fireplaces, and private patios or balconies. The property is within close proximity to Interstate 10, the primary east-west thoroughfare connecting Houston and New Orleans. Built in 1985 and renovated in 2006 and 2007, Emberwood Apartments is currently 94 percent occupied and features a generous parking ratio of 1.96 spaces per unit.

Property Information

- Address: 100 South Meyers Drive
Lafayette, LA 70508
- Building Type: Multifamily
- Year Built: 1985, renovated 2006 - 2007
- Total SF: 266,768
- Total Apt. Units: 296
- % Occupied: 94%

Financial Information

- Offering Purchase Price: \$25,570,000
- Offering Price Per Unit: \$86,385
- Purchase Date: 4th Quarter 2007
- Offering LTV: 62.77%
- Offering Price Cap Rate: 6.29%
- 1st Year Cash Flow: 6.14%
- Loan Terms: The loan is assumed to have an overall effective fixed interest rate of 6.225%, a ten-year term and will be interest only for five years. **The effective interest rate of 6.225% reflects a buy down of 39 basis points by paying a fee of 3% of the loan or \$481,500.**

Please see the Confidential Private Placement Memorandum for additional information and risk disclosures about investment in this property. This material has been prepared for informational purposes only; it is not intended to provide and should not be relied upon for accounting, legal or tax advice. Always remember that each property is unique and past performance is no guarantee of future results.

Unit Amenities

- Private patios or balconies
- Private washer and dryers
- Wood-burning fireplaces
- Microwaves
- Ceiling fans
- Dishwashers
- Individual water heaters
- Ample closet space
- Garbage disposals
- Wall-to-wall carpeting
- Mini-blinds
- Extra storage

Community Amenities

- Two pools
- Children's playground
- Sports court
- Leasing center
- Residential social activities
- Mature landscaping
- Perimeter fencing
- Barbecue/picnic area
- Small pets welcome
- 24-hour emergency maintenance

Unit Breakdown

Type of Unit	Number of Units	Unit Size in SF	Average Effective Rent Per Unit
1 BD/ 1 BA	88	713	\$825
2 BD / 2 BA	200	974	\$963
3 BD / 3 BA	8	1,153	\$1,275
Total/Average	296	901	\$930





Location Information¹

Consisting of Lafayette Parish and St. Martin Parish, Lafayette Metropolitan Statistical Area is located 222 miles east of Houston, 129 miles northwest of New Orleans, 52 miles west of Baton Rouge, and 35 miles north of the Gulf of Mexico. With an efficient railway system and a regional airport, Lafayette offers access to major cities such as Houston, Dallas, Memphis, and Atlanta. Situated at the intersection of Interstates 10 and 49, Lafayette provides its residents quick and convenient access in and out of the area. Historically energy based, Lafayette has developed into a well diversified economy in the last decade, with major sectors in healthcare, education, construction, manufacturing, retail, finance, information technology, transportation and distribution. With the recent medical boom in the region, "Lafayette is further cementing its role as a regional health center, attracting specialized treatment centers, and along with them, preeminent physicians, researchers and scientists."

1. Economic Profile, Lafayette Economic Development Authority, August 29, 2007

See the Confidential Private Placement Memorandum for more information about this specific market. Opinions and estimates contained herein constitute the judgment of the source or the sponsor and are subject to change without notice, as are statements of market trends, which are based on current market conditions. We believe the information provided herein is reliable, but do not warrant its accuracy or completeness.

Apartment Market¹

- The Acadiana Apartment Association, which monitors apartment trends in Lafayette and its surrounding parishes, has reported the market vacancy has decreased to 1.8 percent as of the first quarter of 2007, from 2.4 percent in fourth quarter of 2006.

Economic Trends

- Lafayette Metro has a population of approximately 253,813, and according to the U.S. Census Bureau and Claritas, it is expected to reach almost 260,000 by year 2012.¹
- According to the Department of Labor, Bureau of Labor Statistics, unemployment for August, 2007 in the Lafayette, Louisiana area was 2.8 percent, well under the national average.²

1. Economic Profile, Lafayette Economic Development Authority, August 29, 2007

2. Department of Labor, Bureau of Statistics, www.bls.gov.





TIC Offering

- Offering Size: \$9,520,000
- Price Per 1% Ownership: \$95,200 equity and \$160,500 assumed debt
- Minimum Investment per SPE: 3.00% = \$285,600 equity and \$481,500 assumed debt for a total purchase price of \$767,100
- Suitability: Accredited Investors Only

LLC Offering

- Offering Size: \$476,000
- Price Per Unit: \$5,000
- Minimum Investment: \$25,000
- Suitability: Accredited Investors Only

These cash flow projections were created by the sponsor and are based on a number of assumptions and real estate analysis techniques. The results are necessarily hypothetical; the underlying assumptions may not be accurate, the results shown may not occur, and your performance could vary significantly. This material must be read in conjunction with the Confidential Private Placement Memorandum, which contains additional important risk disclosures and more specific information about the assumptions made.

Property Strengths

- The property is minutes away from Interstate 10 and near the intersection of Kaliste Saloom Road and Ambassador Caffery Parkway, one of Lafayette's most commercially developed intersections.
- The property is in good condition following the completion of interior and exterior renovations in the last two years which cost approximately \$5,600 per unit.
- Monthly rental collections increased by approximately 28 percent between the months of January and August 2007.
- As of September 25, 2007, the property was approximately 94 percent occupied and the manager believes that occupancy rates will remain high during the holding period.

Business Plan

- Preserve the capital investment.
- Realize income through the acquisition, operation and sale of the property.
- Make monthly distributions, which may be partially tax-deferred as a result of depreciation and amortization expenses.
- Within approximately 10 years, profitably sell the property based on the value added through effective management and operation of the property.
- **There is no guarantee that the business plan will be successfully executed, that the property's value will be enhanced, or that the property will be sold within the planned time period.**
- **There can be no assurances that the property manager will be able to renew expiring leases or lease vacant spaces in the property.**
- **Neither the manager nor the property manager have real estate experience in Louisiana.**
- **Competition from apartment communities in the surrounding geographic area could impact rental rates and the ultimate value of the property.**

TIC Projected Annual Cash-on-Cash Yield									
\$285,600 Investment Per SPE									
Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
6.14%	6.26%	6.41%	6.63%	6.85%	7.09%	7.32%	7.57%	7.96%	8.43%

LLC Projected Annual Cash-on-Cash Yield									
\$25,000 Investment									
Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
6.14%	6.26%	6.41%	6.63%	6.85%	7.09%	7.32%	7.57%	7.96%	8.43%

Projected Annualized Returns		
Terminal Cap Rate	TIC Return	LLC Return
6.50%	14.92%	13.81%
6.75%	13.69%	12.76%
7.00%	12.55%	11.79%
7.25%	11.48%	10.89%
7.50%	10.49%	10.04%
Terminal Cap Rate Sensitivity		

- Interests in this property are speculative and involve a high degree of risk; investors should be able to bear the complete loss of their investment.
- SOME INTERESTS ARE SUBJECT TO RECOURSE LIABILITY, i.e., tenants-in-common will be responsible for providing any cash needed in the future in connection with the property.
- There are restrictions in transferring interests; the interests are not liquid investments.
- There are a number of significant tax risks and tax issues involved with the purchase of an interest in this property; investors should consult their own tax advisors and legal counsel.
- The direct or indirect purchase of real property involves significant risks, including market risk and risks specific to a given property.
- The purchase of real property with other investors, e.g., as a tenant-in-common, presents risks related to the relationship with those other investors.
- Investment in this property is expected to be leveraged; leverage may increase volatility and may increase the risk of investment loss.
- The manager has broad authority and discretion over the property and the terms of financing; the various fees paid to the manager and its affiliates are significant and may offset profits related to the ownership and operation of the real estate.
- Cash distributed to you may constitute a return of your own capital and may be paid from proceeds of the offering, e.g., reserves.

Triple Net Properties, LLC has time-tested experience in real estate syndications, acquisitions, leasing and property management. Triple Net currently manages a growing portfolio of over 39 million square feet of real estate in 29 states valued in excess of \$5.4 billion. Although past performance is no guarantee of future results, Triple Net Properties, LLC has an unparalleled track record and has acquired 293 properties to date. Triple Net and affiliates have sold 107 properties for more than \$2.5 billion since 2000.

* Prior performance is not an indication of future results. The projections and the anticipated rate of return are only for TIC/1031 investors and LLC investors and are estimates based on the specific assumptions more fully described in the Private Placement Memorandum (PPM) and any supplements accompanying the PPM. There is no guarantee that the assumptions used in the projection will be achieved. Please review the entire PPM as supplemented prior to investing. This material does not constitute an offer and is authorized for use only when accompanied or preceded by a NNN Emberwood Apartments, LLC PPM dated October 16, 2007. Reference is made to the PPM for a statement of risks and terms of the offering. The information set forth herein is qualified in its entirety by the PPM. All potential investors must read the PPM and no person may invest without acknowledging receipt and complete review of the PPM.



Triple Net Properties, LLC is a wholly-owned subsidiary of NNN Realty Advisors, Inc., a nationwide commercial real estate asset management and services firm.

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