

NNN San Marin 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 April 25, 2007.

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



Property Summary

San Marin Apartments is a 220-unit multifamily community located in one of the most affluent neighborhoods in Corpus Christi, Texas. The Property consists of 10 three-story apartment buildings and a clubhouse containing a leasing office on approximately nine and a half acres. Built in 1998, San Marin Apartments offers tenants a healthy parking supply, with 445 spaces, including 60 attached breezeway garages. Community amenities include a pool, sand volleyball court, barbeque/picnic areas, playground, business center, fitness center, and controlled access entry gates. Individual apartment units feature nine-foot ceilings, ceiling fans, alarm systems, and full size washer dryer connections. The unit mix consists of 88 one-bedroom units, 108 two-bedroom units, and 24 three-bedroom units. The net rentable area of the property is approximately 192,000 square feet, with an average unit size of 873 square feet. San Marin Apartments is currently 94% occupied.

Property Information

- Address: 7221 South Staples Street
Corpus Christi, TX 78413
- Building Type: Multifamily
- Year Built: 1998
- Total SF: 192,004
- Total Apt. Units: 220
- % Occupied: 94%

Financial Information

- Offering Purchase Price: \$18,635,000
- Offering Price Per Unit: \$84,705
- Purchase Date: 2nd Quarter, 2007
- Offering LTV: 64.39%
- Offering Price Cap Rate: 5.95%
- 1st Year Cash Flow: 6.27%
- Loan Terms: The loan is assumed to have a fixed interest rate of approximately of 5.31% and a 10 year term. The loan will be interest only for years one through five with a 30 year amortization schedule thereafter. **The interest rate of 5.31% reflects a buy down of the interest rate by paying a fee equal to 3% of the loan or \$360,000, which will reduce the interest rate by 39 basis points for the duration of the term of the loan.**

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

- Nine-Foot Ceilings
- Kitchen Pantries
- Garbage Disposal
- Individual Alarm Systems
- Full-Size Washer & Dryer Connections
- Ceiling Fans
- Fireplaces*

Community Amenities

- Clubhouse
- Resort Style Swimming Pool
- Playground
- Fitness Center
- Sand Volleyball Court
- Business Center
- Barbeque/Picnic Area
- Controlled-Access Entry Gates
- Breezeway Garages*

* Amenity in select units only

Unit Breakdown

Type of Unit	Number of Units	Unit Size in SF	Average Effective Rent Per Unit
1 BD/1 BA	88	724	\$675
2 BD/2 BA	108	931	\$785
3 BD/2 BA	24	1,156	\$1,080
TOTAL	220	873	\$773





Location Information

Founded in 1839 as a trading post, the South Texas city of Corpus Christi was the scene of Mexican War operations and U.S. Civil War skirmishes. The arrival of the railroad in 1881 stimulated a land boom. The exploitation of gas (1923), development of a deepwater port (1926), and discovery of the Saxtet oil field (1939) laid the city's economic foundation. Today, Corpus Christi has a thriving economy based largely on energy and tourism. Resort facilities are based on the bay and the coastal barrier islands, including Padre Island. The city is also the site of the Corpus Christi Naval Air Station, a branch of Texas A&M University, and home to the sixth-busiest port in the United States. Unemployment is low, 4.5 percent as of December 2006, mirroring the historically-low national average.

1. Sources: Encyclopedia Britannica, 2007, and the U.S. Department of Labor, Bureau of Labor Statistics.

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

- Per Hendricks and Partners 2006 Overview, vacancy rates in the South submarket in 2006 was 4.9%, down from 5.3% in 2005. Average rents increased from \$633 in 2005 to \$650 in 2006.
- Corpus Christi has a tight apartment market, with projected population increases and limited new construction, both occupancy levels and rental rates are expected to rise.

Economic Trends¹

- According to the Bureau of Labor Statistics, unemployment in Corpus Christi decreased from 5.5% in July 2006 to 4.5% in December 2006 as the labor force grew from 189,300 to 193,700.
- The tourism industry is thriving in Southeast Texas; 16 new hotels, roughly 1,000 new rooms, are scheduled to be built in the near future. Healthcare and retail are expanding, while new roadways are being built to accommodate population growth. In addition, large-scale mixed-use projects are positioning the area for future expansion, and the planned La Quinta Container Terminal is expected to create thousands of jobs and increase trade volume capacity.

1. Sources: U.S. Department of Labor, Bureau of Labor Statistics; U.S. Census Bureau; the Grubb & Ellis Corpus Christi Portfolio; and Hendricks & Partners.





TIC Offering

- Offering Size: \$6,635,000
- Price Per 1% Ownership: \$66,350 equity and \$120,000 assumed debt
- Minimum Investment per SPE: 3.00% = \$199,050 equity and \$360,000 assumed debt for a total purchase price of \$559,050
- Suitability: Accredited Investors Only

LLC Offering

- Offering Size: \$331,750
- 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 was recently completed in 1998 and will require only minor capital improvements during the hold period.
- The Property is located within the desirable and rapidly growing South Corpus Christi submarket.
- The Corpus Christi economy is well-positioned to continue to generate private sector jobs.
- Corpus Christi has a tight apartment market, with a 4.9% vacancy rate as of December 2006.
- The Property is convenient to State Highway 358, with access to downtown Corpus Christi, Corpus Christi International Airport, Naval Air Station Corpus Christi and Padre Island.

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.**
- **A military base, located 20 miles northeast of downtown Corpus Christi, was selected for closure. At least 7,000 jobs are expected to be reassigned to other military bases.**
- **The Property was originally constructed in 1998 and may require more capital expenditures than newer buildings.**

TIC Projected Annual Cash-on-Cash Yield

\$199,050 Investment Per SPE

Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
6.27%	6.35%	6.55%	6.89%	7.10%	7.36%	7.52%	7.67%	8.17%	8.85%

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
6.27%	6.35%	6.55%	6.89%	7.10%	7.36%	7.52%	7.67%	8.17%	8.85%

Projected Annualized Returns

Terminal Cap Rate	TIC Return	LLC Return
6.25%	15.36%	14.18%
6.50%	14.02%	13.04%
6.75%	12.78%	11.99%
7.00%	11.63%	11.01%
7.25%	10.56%	10.10%

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, development, construction, leasing and property management. Triple Net currently manages a growing portfolio of over 34 million square feet of property in 28 states valued at more than \$4.6 billion. Although past performance is no guarantee of future results, Triple Net Properties, LLC has an unparalleled track record and has acquired 249 properties to date. Triple Net and affiliates have sold 90 properties for over \$2.0 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 San Marin Apartments, LLC PPM dated April 25, 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.

Triple Net Properties, LLC
 1551 N. Tustin Avenue • Suite 300
 Santa Ana • California • 92705
 (877) 888-7348
www.1031nnn.com

Securities offered through
 NNN Capital Corp., Member NASD/SIPC
 4 Hutton Centre Drive • Suite 700
 South Coast Metro • California • 92707
 (714) 667-8252