



Inland
Private Capital Corporation

Private Placement Memorandum

Florida Multifamily Portfolio II DST

The Date of this Private Placement Memorandum is June 18, 2018

CONFIDENTIAL

Investing in DST Interests involves a high degree of risk. Before investing you should review the entire Private Placement Memorandum including the "Risk Factors" beginning on page 30.



The Orlando Property

OFFERING HIGHLIGHTS

Beneficial Interests:	\$98,479,389
Loan Proceeds:	\$114,730,000
Offering Price:	\$213,209,389
Loan-to-Offering Price Ratio:	53.81%
Minimum Purchase (1031):	\$100,000
Minimum Purchase (cash):	\$25,000
Current Cash Flow:	5.00%

> Florida Multifamily Portfolio II DST

Four multifamily properties located in the growing Bradenton, Orlando and Tampa Bay MSAs

Florida Multifamily Portfolio II DST, also known as the Parent Trust, is a newly formed Delaware statutory trust and an affiliate of Inland Private Capital Corporation (IPC).

The Parent Trust indirectly owns, or will own, a portfolio of four multifamily properties located in Bradenton, Largo, Oviedo, and Riverview, Florida.

1. Bradenton Riversong Multifamily DST (Bradenton Trust) owns RiverSong Apartment Homes (the Bradenton Property)
2. Largo Multifamily DST (Largo Trust) owns Somerset Apartments (the Largo Property)
3. Orlando MSA Multifamily II DST (Orlando Trust) will own The Strand (the Orlando Property)
4. Riverview Multifamily II DST (Riverview Trust) owns Palms at Magnolia Park (the Riverview Property)

The Bradenton, Largo, Orlando, and Riverview Properties are collectively referred to herein as the Properties, and each may be referred to as a Property.

You should read this Private Placement Memorandum (the Memorandum) in its entirety before making an investment decision. Capitalized terms used in pages i through xv but not defined herein shall have the meanings set forth in the Memorandum.

Inland Celebrates Its
50th Anniversary



> Investment Highlights

Inland Private Capital Corporation believes that an investment in the Parent Trust offers the following benefits:



- Strong locations in established and growing Florida metropolitan areas: Bradenton, Orlando, and Tampa Bay.
- Diversified portfolio of multifamily properties: The Bradenton, Orlando, and Riverview Properties are recently constructed over the past three years. The Orlando Property also includes commercial components. The Largo Property was constructed in 1974, and offers a value-add opportunity.



- Inland's management team has experience in all aspects of acquiring, owning, managing, and financing real estate, including multifamily properties.
- As of December 31, 2017, Inland had acquired and managed 12,967 multifamily units throughout the United States.



- Each Property is, or will be, financed with a separate loan with no cross-collateralization.
- Each Loan has, or will have, a 10-year term (with extensions), with fixed interest rates and amortizing principal.

> Investment Strategy

The market dynamics are anticipated to be sustainable throughout the hold period, providing the Property Manager the opportunity to maintain or increase occupancy and to increase rental rates at the Properties. In conjunction with rental growth, the operational strategy includes monitoring and controlling expenses, and utilizing reserves effectively. To maximize property performance, a state-of-the-art computerized revenue management program will be instituted to analyze market and submarket data and establish optimal unit pricing based on a number of factors including inventory, days on market, move-in date and location.

The Property Manager intends to introduce, and/or monitor the recovery of, other income and fees, such as utility costs, trash removal fees, administrative fees, application fees and pet rent. In an effort to retain Residents, the Property Manager intends to implement a lease management system that seeks to limit the number of monthly lease expirations to approximately 10 percent of the Apartment Units. Programs will also be put in place to enhance the online rating scores on apartment rental sites as well as multiple search engines, which are critical in today's technology-driven market.

Regular meetings will be held between the Asset Managers and Property Manager to review performance, discuss new leasing activity, and improve tenant retention as well as other topics. The Property Manager also expects to host regular Resident functions to foster a sense of community and help to increase tenant retention.

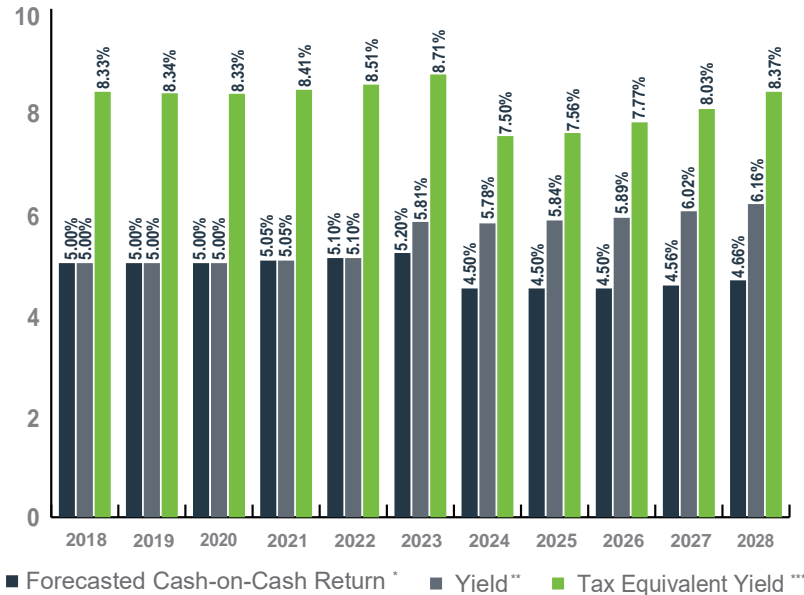
An annual property tax review and appeal program will be put in place and annual property insurance reviews will be conducted. Finally, the Asset Managers will leverage economies of scale in order to provide the most cost-effective pricing structure on contractor and vendor services.

> The Offering

The Parent Trust is offering (the Offering) to sell to qualified, accredited investors pursuant to this Memorandum, 100 percent of the beneficial interests in the Parent Trust. The Offering is designed for accredited investors seeking to participate in a tax-deferred exchange as well as those seeking a quality, multiple-owner real estate investment. Only accredited investors may purchase interests in this Offering. For more information, see “*Summary of the Offering*” and “*The Offering*” in the Memorandum.

Forecasted Cash-on-Cash Returns*

(Paid Monthly)



* These forecasts are estimates which are based on certain assumptions, and actual results may vary. Please consult the “*Risk Factors*” section of the Memorandum for events that may cause the actual results to differ. The “Forecasted Cash-on-Cash Return” is calculated by taking the sum of the: (a) excess Base Rent (any amount of Base Rent after debt service); (b) Additional Rent; and (c) Supplemental Rent payable to the Trusts (as such terms are defined in the Memorandum). Additional Rent will be estimated and paid on a monthly basis with year-end reconciliation. Supplemental Rent will be paid annually within 90 days of the end of the calendar year.

** “Yield” is calculated by dividing the amounts distributed to investors plus any principal pay-down on debt over the indicated period divided by Investors’ original capital investment.

*** “Tax Equivalent Yield” represents the yield required to achieve an equivalent after-tax cash flow on an interest-bearing investment, which has no shelter from depreciation and would be taxed at the effective tax rate. The calculations are based on an assumed effective tax rate of 40% of taxable income. Each prospective Investor should consult with his or her own legal, tax, accounting and financial advisors.

> The Financing

Each Property is, or will be, separately financed with a first mortgage loan (each, a Loan and collectively, the Loans), as described below. Each Loan has, or is expected to have, a term of 10 years (taking extension periods into account). Investors should note that the financing terms for the Largo Loan and the Orlando Loan have not been finalized as of the date of the Memorandum, and remain subject to change.

Borrower	Principal Loan Amount	Lender	Annual Interest Rate	Term
Bradenton Trust	\$19,800,000	PNC Bank, National Association	4.195%	10 years
Largo Trust	\$23,530,000	Berkadia Commercial Mortgage, LLC, under the Federal National Mortgage Association Delegated Underwriting and Servicing loan program	4.30%	10 years
Orlando Trust	\$39,000,000	Santander Bank, National Association	4.30%	10 years
Riverview Trust	\$32,400,000	Capital One, National Association	4.249%	5 year initial term, with 5 year automatic extension

Each Loan is, or is expected to be, secured by a mortgage on the respective Property. The Loans are not, and will not be, cross-collateralized or cross-defaulted, meaning a default under one of the Loans will allow the applicable lender to recover against only the particular Property securing the particular Loan and will not trigger a default under any other Loan.



> Location & Description of the Properties

Property & Address	Year Built	Total Units	1-Bedroom Units	2-Bedroom Units	3-Bedroom Units
Bradenton Property RiverSong Apartment Homes 606 3rd Avenue West Bradenton, FL 34205	2015	179	105 (794 Avg. Sq. Ft./Unit)	66 (1,174 Avg. Sq. Ft./Unit)	8 (1,450 Avg. Sq. Ft./Unit)
Largo Property Somerset Apartments 12800 Vonn Road Largo, FL 33774	1974	384	272 (640 Avg. Sq. Ft/Unit)	112 (980 Avg. Sq. Ft/Unit)	N/A
Orlando Property The Strand 370 Center Lake Lane Oviedo, FL 32765	2017/2018	279	137 (768 Avg. Sq. Ft/Unit)	111 (1,099 Avg. Sq. Ft/Unit)	31 (1,366 Avg. Sq. Ft/Unit)
Riverview Property Palms at Magnolia Park 9104 Canopy Oak Lane Riverview, FL 33578	2017	292	150 (852 Avg. Sq. Ft./Unit)	106 (1,108 Avg. Sq. Ft./Unit)	36 (1,229 Avg. Sq. Ft./Unit)

N/A Not Applicable

See “*The Properties*” in the Memorandum for additional detail. Also see “*Risk Factors – Risks Related to the Properties*” in the Memorandum.

> About Florida

Florida is well known for its miles of sandy beaches and crystal-clear waters, making it an attractive place for tourists. In fact, tourism is one of the biggest contributors to Florida’s economy, which is expected to hit \$1 trillion in 2018¹. The state is likely to create 180,000 new jobs in 2018, a pace that would exceed the national economy’s job growth for the eighth straight year.¹ Florida is one of the fastest growing states in America², ranking third out of the 50 states in terms of population, with 21.5 million people.³ Florida is home to many of the top amusement parks and water parks in the nation, including Walt Disney World, which is the largest single-site employer in the nation, with over 66,000 employees.⁴

The Bradenton Area

Bradenton is part of the North Port-Sarasota-Bradenton metropolitan statistical area (MSA), which was ranked as the 10th fastest growing metropolitan area in the United States in 2017.⁵ Bradenton is located south of Tampa and attracts large numbers of vacationers and retirees due to its “Old Florida” feel and abundance of museums, arts and parks. It is also a short drive from many popular areas, including Anna Maria Island, Holmes Beach and Bradenton Beach.⁶

The Largo Area

The city of Largo is a suburban community situated in the heart of Pinellas County, just blocks from the Gulf of Mexico. Voted as one of Forbes’ best places to retire in 2018⁷, Largo is adjacent to many attractive resorts and beaches, shopping and recreation. The area has a central location near a vast amount of major employers, as well as good access to Interstate 275, U.S. Highway 19 and the Howard Franklin Bridge, which provide convenient access to Tampa International Airport, the downtown Tampa business district, and downtown St. Petersburg.

The Orlando Area

Oviedo is located three miles from the University of Central Florida, which currently has the largest number of students in the state of Florida, and in the nation⁸. The Oviedo area is significantly influenced by the rapidly growing university, along with the adjacent office and research parks. Orlando is just 10 miles west, and is a top tourist destination due to major amusement parks like Walt Disney World and Universal Studios Orlando. Recently ranked 7th in the United States in terms of job growth⁹, Orlando is expected to grow 3.2 percent in population, from 2.4 to 2.51 million residents from 2017 to 2018.¹⁰

The Riverview Area

Riverview is located just six miles east of downtown Tampa, and is part of the Tampa-St. Petersburg-Clearwater MSA, the largest MSA in Florida and 18th largest in the United States.⁴ The Tampa Bay area’s population of 3.1 million is expected to grow to 3.3 million in the next five years.⁴ Major employers include University of South Florida and world-class medical facilities such as the Moffitt Cancer Center, All Children’s Hospital and Tampa General Hospital, all of which continue to attract the highest quality medical professionals in the area.

Top 5 Employers in Bradenton Area¹¹

1. Manatee County School District
2. Bealls Inc.
3. Manatee County Government
4. Manatee Memorial Hospital
5. Manatee County Sheriff’s Department

Top 5 Employers in Largo Area¹²

1. Pinellas County School District
2. Bay Pines VA Medical Center
3. Raymond James Financial, Inc.
4. City of St. Petersburg
5. All Children’s Hospital

Top 5 Employers in Orlando Area¹³

1. Walt Disney World Resort
2. Orange County Public Schools
3. Universal Orlando Resort
4. Florida Hospital
5. Orlando Health

Top 5 Employers in Tampa Area¹⁴

1. BayCare Health System
2. Moffitt Cancer Center
3. Raymond James Financial, Inc.
4. Progressive Insurance
5. USAA

¹ Tampa Bay Times. Florida projected to have \$1 trillion economy in 2018. January 9, 2018.

² Big Metro Areas In Florida Keep Getting Bigger. Forbes. March 23, 2018.

³ Cushman & Wakefield Florida Population Report. February 22, 2018.

⁴ Florida’s Economy: The 6 Industries Driving GDP Growth. Investopedia. January 13, 2016.

⁵ Herald-Tribune. Region ranks as 10th fastest growing in the nation. March 23, 2017.

⁶ Visitflorida.com/en-us/cities/Bradenton.html

⁷ Forbes. 2018 Best Places to Retire. April 23, 2018.

⁸ Appraisal Report from CBRE, Inc.

⁹ Orlando Sentinel. Orlando ranks 7th in U.S. for economic growth.

¹⁰ Cushman & Wakefield. Orlando Population to Grow by 3.2% in 2018 – Second Highest Growth Rate in Florida. February 23, 2018.

¹¹ Bradenton Area Economic Development Corporation. Bradenton Area’s Largest Employers. May 2017.

¹² Pinellas County Comprehensive Annual Financial Report. September 30, 2017.

¹³ Orlando Business Journal. Largest Central Florida Employers. July 17, 2017.

¹⁴ Tampa Bay Times. Tampa Bay Top Workplaces for 2018.



> The Bradenton Property

RiverSong Apartment Homes is an ideally located multifamily community in downtown Bradenton, with direct access to the picturesque Manatee River Riverwalk. Residents can enjoy shopping, entertainment and spectacular water views right outside their front door. The amenity package includes a resort-style heated pool, recently upgraded fitness center, resident clubhouse and an outdoor patio with fire pits and BBQ grills. The Bradenton Property is conveniently located near Interstate Highway 75 and Highways 41/301, which provide direct access to both the Sarasota and Tampa central business districts.

In-Unit Amenities	Community Features
<ul style="list-style-type: none"> P Granite countertops and undermount sinks* P Kitchen islands* P Wood-style plank flooring and plush carpeting P In-unit washer and dryer P Hurricane impact resistant windows P Screened patios and balconies P River views* <p>* In select units</p>	<ul style="list-style-type: none"> P Direct access to Bradenton Riverfront P Resort-style heated pool with brick-paver sundeck P Recently updated 24-hour fitness center P Clubhouse with resident lounge P Resident kitchen with café P Newly renovated business center and conference room P Courtyard with fire pit and BBQ grills P Controlled access parking structure



Area Demographics

	1 Mile Radius	3 Mile Radius	5 Mile Radius
2017 Average Household Income ¹⁵	\$50,282	\$53,238	\$57,347
Median Housing Values ¹⁶	\$129,617	\$109,863	\$137,310
2017 Estimated Population ¹⁵	7,679	88,274	193,522
2022 Projected Population ¹⁵	8,530	96,219	210,939
Estimated Population Growth (2017-2022) ¹⁵	2.12%	1.74%	1.74%
Estimated Renters (%) ¹⁶	63.63%	41.65%	38.24%



¹⁵ Appraisal Report from CBRE, Inc.

¹⁶ Claritas, March 2018.



> The Largo Property

Somerset Apartments is a 384-unit apartment community located in the heart of Pinellas County, which is home to a number of gulf beaches, including Indian Rocks Beach and Belleair Beach. Residents can enjoy the Largo Golf Course, which is located directly next door. The Largo Property has a large selection of amenities, including an outdoor tennis court, large pool with sundeck, and an off-leash dog park. Local employers include Largo Medical Center, Morton Plant Hospital, St. Pete-Clearwater International Airport, Carillon Office Park, and Home Shopping Network.

Potential Unit Upgrades	Community Features
<p>The Largo Asset Manager intends to make upgrades to 355 apartment units at the Largo Property in an effort to grow rental income. Upgrades will include:</p> <ul style="list-style-type: none"> P New appliance package P Refinishing countertops P Refinishing cabinets P Installing wood-style flooring P Upgrading fixtures, hardware and lighting 	<ul style="list-style-type: none"> P Direct access to Bradenton Riverfront P Resort-style heated pool with brick-paver sundeck P Recently updated 24-hour fitness center P Clubhouse with resident lounge P Resident kitchen with café P Newly renovated business center and conference room P Courtyard with fire pit and BBQ grills P Controlled access parking structure



Area Demographics

	1 Mile Radius	3 Mile Radius	5 Mile Radius
2017 Average Household Income ¹⁷	\$64,425	\$70,623	\$68,827
Median Housing Values ¹⁸	\$190,536	\$195,248	\$184,942
2017 Estimated Population ¹⁷	12,038	86,874	184,494
2022 Projected Population ¹⁷	12,558	90,174	191,423
Estimated Population Growth (2017-2022) ¹⁷	0.85%	0.75%	0.74%
Estimated Renters (%) ¹⁸	33.06%	25.73%	29.40%



¹⁷ Appraisal Report from CBRE, Inc.

¹⁸ Claritas. February 2018.



> The Orlando Property

The Strand is a brand new multifamily community in growing Oviedo, which is located just 20 miles outside of downtown Orlando. Residents can take advantage of an expansive list of amenities, including a resort style pool with private cabanas, a large outdoor kitchen with fire pit lounges, fitness center with indoor basketball court and private massage rooms. The Orlando Property is located within an award-winning school district and is walking distance from Oviedo Center Lake Park, which includes an off-leash dog park, playground, and community amphitheater. Oviedo is also near many large employers, including University of Central Florida, Lockheed Martin and the Central Florida Research Park.

In addition, one of the Orlando Buildings contains seven commercial spaces on the first floor, providing additional convenience to Residents. The tenants include restaurant establishments, a salon, dental office, and a physical therapy office.

In-Unit Amenities	Community Features
<ul style="list-style-type: none"> P USB charge ports and Wi-Fi Nest thermostats P Wood plank vinyl flooring P Stainless steel Whirlpool appliances P Gourmet chef-inspired island kitchens P Granite countertops P In-unit washers and dryers P Optional balconies 	<ul style="list-style-type: none"> P Infinity-edge pool with private cabanas P Outdoor kitchen with fire pit lounge P Fitness center with cardio room P Indoor basketball court P Theater room with surround sound P Private massage rooms P Spray tanning room P Indoor pet grooming salon P 100% smoke free community



Area Demographics

	1 Mile Radius	3 Mile Radius	5 Mile Radius
2017 Average Household Income ¹⁹	\$84,315	\$98,770	\$94,998
Median Housing Values ²⁰	\$268,853	\$266,044	\$261,356
2017 Estimated Population ¹⁹	8,546	55,779	131,343
2022 Projected Population ¹⁹	9,346	59,187	138,848
Estimated Population Growth (2017-2022) ¹⁹	1.81%	1.19%	1.12%
Estimated Renters (%) ²⁰	22.82%	21.54%	25.38%



¹⁹ Appraisal Report from CBRE, Inc.

²⁰ Claritas. April 2017.



> The Riverview Property

Palms at Magnolia Park is a recently constructed 292-unit apartment community located near Interstate 75, U.S. Highway 301, and the Selmon Expressway. These major roadways provide direct access to the broader Tampa Bay metropolitan area, as well as many major employers. Residents can enjoy a complete amenity package, including a resort-style salt water pool equipped with two poolside kitchens, state-of-the-art fitness center, resident lounge with media center, billiards, bocce ball and sport courts, and even a pet spa.

In-Unit Amenities	Community Features
<ul style="list-style-type: none"> P Granite countertops and white subway tile backsplashes P Kitchen islands, under mount sinks, P 42" shaker-style wood cabinetry P Stainless steel Whirlpool brand appliances P Large walk-in closets P In-unit washers and dryers P Screened in patios and balconies P Large bathrooms with soaking tubs 	<ul style="list-style-type: none"> P Resort-style salt water pool with poolside grilling stations P Resident lounge with media center P Business center with coffee bar and conference table P Game room with billiards table and kegerator P Fitness center with yoga studio P Gated dog park and indoor pet spa P Bocce and sport court with putting green P Self-service Amazon parcel lockers P Detached garages



Area Demographics

	1 Mile Radius	3 Mile Radius	5 Mile Radius
2017 Average Household Income ²¹	\$71,393	\$67,256	\$66,897
Median Housing Values ²²	\$192,181	\$176,561	\$180,955
2017 Estimated Population ²¹	9,512	70,472	153,597
2022 Projected Population ²¹	11,019	78,939	168,594
Estimated Population Growth (2017-2022) ²¹	2.99%	2.30%	1.88%
Estimated Renters (%) ²²	20.69%	30.45%	35.68%

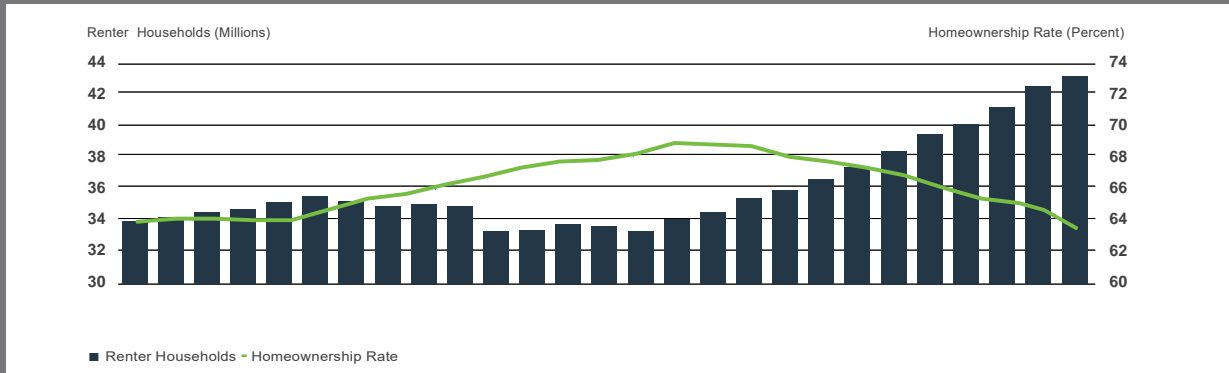


²¹ Appraisal Report from CBRE, Inc.

²² Claritas. January 2018.

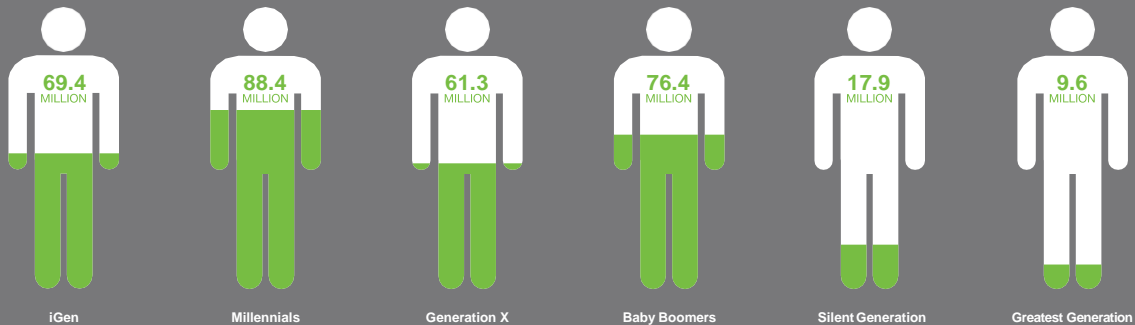
Multifamily Sector

Over the past 10 years, U.S. renter household growth has surged while home ownership has dropped. As the rate of homeownership continues to decrease, the rate of apartment living continues to increase.



Note: Data as of 1Q 2017
Source: U.S. Census Bureau, Housing Vacancy Surveys

The population of the United States is expected to grow by 45 million people over the next 20 years. Both multifamily and single family housing supply remain well below long-term averages that are not nearly enough to house the number of people needing homes.²³



Generation

Source: U.S. Census Bureau 2016 Population Estimates

Preferences of the two largest generations in the United States, the Millennials and Baby Boomers, are driving this growing trend of renting – and creating significant demand for multifamily apartments.

Millennials...		Baby Boomers...	
<p>Love of Amenities Including electric car charging ports, gyms and cellphone reception in all areas</p>	<p>Love of Community Including community and shared spaces and proximity to culture and nightlife</p>	<p>Love of Activity Including walkability and easy transportation to jobs and activities they love</p>	<p>Love of Luxury Apartments offer a more luxurious place to live with high-end amenities often not affordable with owning a home</p>
<p>Love of Flexibility Being able to terminate lease or choose not to renew for any reason, especially career reasons</p>	<p>Love of Convenience Keeping home maintenance and yard work out of budgets, and out of weekend to-do lists</p>	<p>Love of Savings Renting saves thousands of dollars a year to enjoy life, travel and spend time with family versus the upkeep required for homes</p>	<p>Love of Convenience No responsibility for maintenance, which is a lifestyle perk that apartments offer</p>

²³ CoStar. Midyear Multifamily Update. Too Much Apartment Construction, or Not Enough. August 10, 2017.

> About Inland Private Capital Corporation

The Inland Real Estate Group of Companies, Inc. (Inland) is one of the nation's largest commercial real estate and finance groups, representing nearly 50 years of expertise and integrity in the industry. As a business incubator, Inland specializes in creating, developing and supporting member companies that provide real estate-related investment funds – including limited partnerships, institutional funds and nonlisted real estate investment trusts (REITs) – and real estate services for both third parties and Inland-member companies.

In March 2001, Inland Private Capital Corporation was formed to provide replacement properties for investors wishing to complete a tax-deferred exchange under Section 1031 of the Internal Revenue Code of 1986, as amended, as well as investors seeking a quality, multiple-owner real estate investment. The programs sponsored by IPC offer securities to accredited investors on a private placement basis.

Track Record Since Inception

(Through December 31, 2017)



Program Dispositions

(As of December 31, 2017)

	RETAIL	OFFICE	MULTIFAMILY	INDUSTRIAL
Cumulative Sales Price	\$529,713,911	\$233,509,165	\$185,766,108	\$118,170,041
Weighted Avg. Total Return*	133.06%	121.34%	136.90%	133.38%
Weighted Avg. ARR**	7.53%	4.13%	13.11%	5.96%
Number of Programs	37	8	4	7



Inland Private Capital Corporation
2X RECIPIENT

Metrics for Program Dispositions

* **Weighted Average Total Return** is calculated by dividing the sum of amounts distributed to investors over the hold period of the investment plus the sale proceeds returned to the investors, by such investors' capital invested in the program inclusive of all fees and expenses. To determine the weighted average, the total return for each program is multiplied by the capital invested in that program, divided by total capital invested in all programs represented in the analysis.

** **Weighted Average Annualized Rate of Return (ARR)** is calculated as the sum of total cash flows distributed during the term of the investment plus any profit or loss on the initial offering price, divided by the investment period. To determine the weighted average, the ARR for each program is multiplied by the capital invested in that program, divided by the total capital invested in all programs represented in this analysis.

The Weighted Average Total Return and Weighted Average ARR metrics presented above apply to those programs in which the property owned by such program was sold. Please note that this analysis does not include programs in which the subject property was in foreclosure. In such situations, IPC has negotiated with the applicable lender and advanced funds to the investors to allow the investors to exchange their beneficial interests in the original program for a proportional beneficial interest in a new program, in order to continue their Section 1031 exchanges and avoid potential capital gains and/or forgiveness of debt tax liabilities.

