

LSC-BIO HC1, DST

Two 100% leased and occupied medical office buildings



Address:

8300 N. Cornerstone Dr., Hayden, ID 83835

Property Size:

15,000 net rentable SF

Year Built:

2009

Address:

781 Heritage Park Blvd., Layton, UT 84041

Property Size:

16,500 net rentable SF

Year Built:

2010

Investor Purchase Price⁽¹⁾:

\$12,890,000

Total Debt (original balance):

\$7,880,000

Total Offering Size:

\$4,453,890

Average Pro-forma Distribution⁽²⁾:

6.1% / 8.8% (Amort included)

Minimum Cash Investment:

\$25,000

Loan to Value⁽³⁾:

66.6%

Minimum 1031 Investment:

\$100,000

Property Types:

Medical Offices

Tenant:

BioLife Plasma Services, L.P.

Guarantor:

Baxalta, Inc.

Credit Rating of Lease Guarantor:

Moody's Baa3

Initial Lease Expiration:

Hayden: Feb. 28, 2030 | **Layton:** June 30, 2030

(1) Based on total trust including all offering costs.

(2) The average pro-forma distribution of 6.1% for years one through nine (including year nine) does not include amortization. The yield of 8.8% is inclusive of amortization from years one through ten (including year ten).

(3) The Loan to Value ratio of 66.6% is based on the aggregate Implied Valuation of \$11,823,000. The Loan to Value ratio of 61.1% is based on total funds used in the Offering of \$12,890,000.

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CAPITAL

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Orchard Securities, LLC, Member FINRA/SIPC, is the Managing Broker-Dealer for Livingston Street Capital, LLC

TRANSACTION HIGHLIGHTS

- › Two newer constructed build-to-suit properties
- › Tenant executed an early renewal of their leases in 2010 with more than 4 years remaining on the original lease term
- › Average remaining lease term of both properties exceeds 12 years, not including extension options
- › Tenant and lead guarantor are subsidiaries of the Shire Group (NASDAQ: SHPG). Shire and the lease guarantor (Baxalta Inc.) currently maintain investment grade ratings of Baa3 by Moody's Investor Services
- › New 10-year, fixed rate, financing that is fully prepayable at any time with no prepayment penalties or lockout
- › Sponsor and original developer will retain more than 10% of the total DST Interests
- › NNN net lease with very minimal landlord responsibilities
- › Long operating history of the tenant at the properties
- › Loan begins amortizing in year two

TRANSACTION OVERVIEW



Layton, Utah

Total Purchase Price ⁽¹⁾ :	\$12,890,000
Total Loan Amount:	\$7,880,000
Purchase Price (PSF):	\$409.21
Loan Amount (PSF):	\$250.16
Loan Maturity Date:	September 1, 2027
Interest Rate:	4.75%
I/O Period:	First 12 months
Amortization	30 years
Original Loan term	120 months

OFFERING SUMMARY



Hayden, Idaho

Total Offering Amount:	\$4,453,890
Offering Type:	Reg D
Minimum Investment Size (Cash):	\$25,000
Minimum Investment Size 1031:	\$100,000
Year 1 Yield Distribution ⁽²⁾⁽³⁾ :	5.7%
Average Distribution ⁽²⁾⁽³⁾ :	6.1%
Expected Distribution Frequency:	Monthly

(1) Based on total trust including all offering costs

The information in the tables above are estimates only and subject to certain risks, assumptions and qualifications as are more fully described in the Memorandum under the headings "A Warning About Forward Looking Statements" and "Risk Factors."

(2) The year number 1 expected distribution does not include amortization. The average distribution excludes amortization and is based on years one through nine (including year nine)

(3) No insurance can be provided that these distributions will be made, or on when they will be made.

SPONSOR OVERVIEW

Livingston Street Capital, LLC

Livingston Street Capital, LLC is a boutique private equity firm whose investment strategies currently encompass three main sectors, include healthcare, mission critical/strategic and multifamily properties. Our investment strategy can best be described as focusing on the “needs” of individuals and corporations versus the “wants.” As a result, we focus on investment themes that we believe are less geared towards discretionary expenditures and are more closely aligned to what is essential to the user.

We are led by a management team that has collectively transacted more than \$20 billion of real estate transactions throughout their careers and brings more than 75 years of collective experience. Our team has experience in both the full development cycle of real estate as well as ability to execute and structure the full capitalization of an investment. We bring a broad spectrum of understanding from ground-up development within certain sectors to multi-billion dollar recapitalization and buy-outs of real estate companies.

Peter Scola

Peter Scola has extensive institutional experience in the commercial real estate and finance industry in the United States. He has completed more than \$20 billion in real estate transactions over the course of his career to date. His experience includes direct equity investment, mergers and acquisitions, joint venture structuring, capital raising and asset repositioning. Additionally, Peter has significant financial services and equity and debt capital markets experience. This experience affords Peter a unique perspective on the total lifecycle of an investment as well as its capitalization.

Most recently a senior executive of Cantor Fitzgerald & Co, Peter has held executive positions with Bank of America, Fitch Ratings, Merrill Lynch, and Wells Fargo Securities, and has worked with major private equity clients as well as several public and private real estate investment trusts. Peter has also built a personal portfolio of real estate investments that are predominantly value-add acquisitions.

Peter holds a degree in international business and finance from American University in Washington, D.C., where he received several academic awards and scholarships. He has also served as a guest speaker for Master’s level real estate programs at Columbia University, NYU and UNC–Chapel Hill.

Joseph L. Fox

Joe Fox is a successful real estate investor with more than 30 years of real estate experience including acquisition, asset management, disposition and structured finance, and complex joint venture structuring experience.

Joe is the co-founder of Shelbourne Capital LLC, an opportunistic real estate investment firm that focuses on thematic investment in the commercial real estate sector. Joe successfully focused the firm on several opportunistic investments and accumulated more than \$700 million in assets since its inception. These strategies include housing, healthcare and hospitality. Recently, Joe has helped facilitate the disposition of more than \$250 million in assets, achieving internal rates of return to date in excess of 30%.

Joe began his career with CBRE focusing on highly complex and large-scale transactions. He served in senior leadership roles at Pitcairn Properties, where he led capital raising and joint venture structures. After Pitcairn, Joe was named head of global real estate at a Dublin-based private equity firm that managed more than €1 billion in investments. Throughout his career, Joe has led more than \$2 billion of real estate investments.

Joe is a graduate of St. Joseph’s University in Philadelphia, PA. He also Chairs the Board of St. Malachy School in North Philadelphia.

TENANT & LEASE SUMMARY

The properties are 100% occupied by BioLife Plasma Services L.P. The lease is guaranteed by Baxalta Incorporated, which was acquired by Shire Group. BioLife Plasma Services is an industry leader in the collection of high quality plasma that is processed into life-saving plasma-based therapies. The company operates and maintains numerous state-of-the-art plasma collection

facilities throughout the United States and collects around 5 million liters of plasma per year. BioLife Plasma Services is part of Shire (SHPG: NASDAQ), the leading global biotechnology company focused on serving people affected by rare diseases and highly specialized conditions.

LEASE SUMMARY

	HAYDEN, ID	LAYTON, UT
Lease Commencement	3/1/2010	7/1/2010
Occupancy (as of 10/5/2017)	100%	100%
Lease Termination Date	2/28/2030	6/30/2030
Rental Rate PSF	\$27.01	\$24.92
Termination Date Plus Renewal Options	2/28/2045	6/30/2045
# of Renewal Options	Three 5-Year Options	Three 5-Year Options

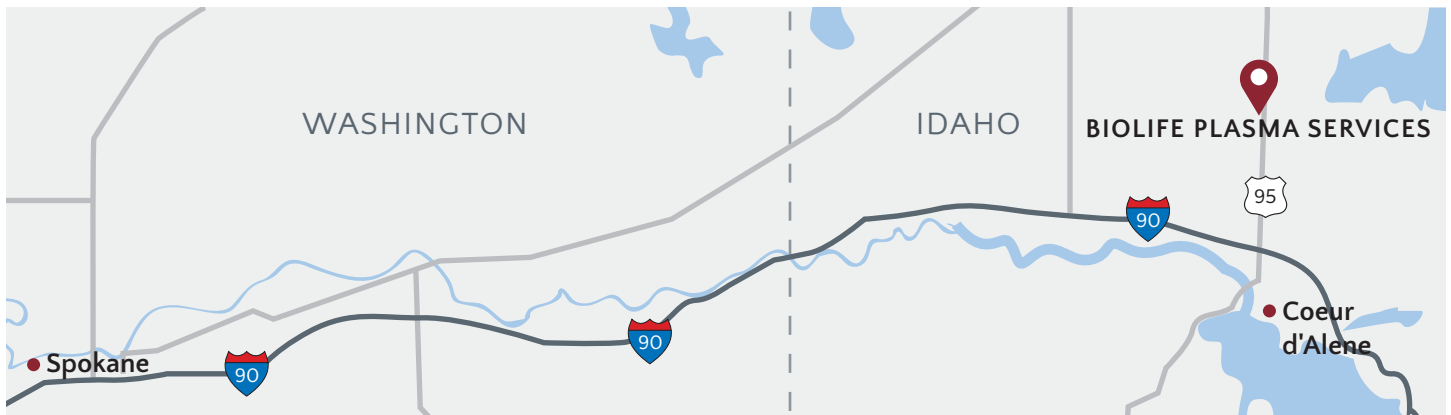
SHIRE SUMMARY

Revenues:	\$11.4 billion (As of 2016)
Share Price:	\$154.31 (as of 10/5/2017)
Market Cap:	\$46.71 billion (as of 10/5/2017)
Net Income:	\$327 million (U.S. GAAP Equivalent provided by company)
Credit Rating:	Moody's Baa3/S&P BBB-
Baxalta Inc. Credit Rating ⁽¹⁾ :	Moody's Baa3
Website:	www.Shire.com

(1) This is the entity that is the guarantor of the lease.

For more information please visit: www.shire.com

AREA DESCRIPTION



BIOLIFE HAYDEN, IDAHO

The subject is situated in the eastern portion of the City of Hayden, Idaho and is considered a suburban location. Hayden borders the City of Coeur d'Alene to the south. Coeur d'Alene is in Kootenai County and approximately 20 miles east along Interstate 90 from Spokane, Washington. The property's neighborhood

is predominantly retail with commercial land uses along the primary arterials with less intense commercial buildings on secondary streets. Uses within the neighborhood are largely a reflection of the underlying zoning.



BIOLIFE LAYTON, UTAH

The subject is in the city of Layton and is considered a suburban location. Layton is situated in northern Davis County, about 30 miles north of the Salt Lake Central Business District. Land uses within the property's immediate area are a mix of government,

commercial and residential uses. The largest land use in the area is the Hill Air Force Base which is about 1.5 miles north of the property. Much of the remainder of the area is commercial along major streets with residential infill.

Risk Factors

Investing in LSC-BIO HC1, DST, a Delaware statutory trust (the "DST" or "Trust"), involves a high degree of risk. You should carefully review the Risk Factors section of the Private Placement Memorandum (the "Memorandum") relating to offer of interests (the "Interests") in the Trust (the "Offering"). make up the "Offering." Some of the risks relating to an investment in the Trust include:

Risks Related to Holding Interests in the DST ("DST Interests")

- There are limitations on the actions that the manager and trustee of the DST can take relative to the real estate. IRS Revenue Ruling 2004-86, which sets forth the IRS standards for DST Interests acquired in an IRC Section 1031 exchange, provides, in part, that in order for investors in the DST to be treated as acquiring a direct interest in the DST's real estate for tax purposes, the DST must impose significant prohibitions on the powers of the DST's manager and trustee. These prohibitions are explained in more detail in the Offering documents.
- If the manager and trustee are required to take action to conserve and protect the property held by the DST but are unable to do so due to the prohibitions imposed on their powers, they may determine to terminate (or be required to terminate) the DST and transfer the property to a limited partnership (a "Transfer Distribution"). An interest in a limited partnership, unlike a DST Interest, is not treated as a direct interest in the underlying real estate for tax purposes.
- In addition to the U.S. federal income tax consequences described above, you should consider the state tax consequences of acquiring, owning, holding and disposing of an interest in a DST. You must seek the advice of your own independent tax advisor as to state and local tax issues.

Risks Related to Debt Financing

- The effect of a financing (where a Transfer Distribution has occurred) or sale of the property owned by the DST could affect the rate of return to the investors in the DST with respect to that property and the projected time of disposition of the property. In an environment of increasing mortgage rates, if we place mortgage debt on properties (if a Transfer Distribution has occurred), we run the risk of being unable to refinance such debt if mortgage rates are higher at the time a balloon payment is due.

Risks Related to the Offering

- Purchasers must bear the economic risks of an investment in Interests for an indefinite period of time and must be prepared to sustain a total loss of such investment. There is no public market for the Interests and we do not expect a public market for the Interests to develop in the future. An investment in an Interest will not be suitable for purchasers desiring or requiring liquidity in the near future. Each purchaser must bear the economic risks of an investment in an Interest for an indefinite period of time and be prepared to sustain a total loss of such investment.
- The Sponsor, Asset Manager and Property of the DST and their respective affiliates are subject to conflicts of interest between their activities, roles and duties for other entities and the activities, roles and duties they have assumed on behalf of the DST. Conflicts exist in allocating management time, services and functions between their current and future activities and the DST.
- The purchase price of the Interests in the Offering will include a "mark-up" of up to ___% on the estimated fair value of the property to cover certain fees and expenses of the Offering — meaning that up to ___% of the marked-up purchase price for an Interest will be used to cover fees and expenses.

Risks Related to Investments in Real Property

- Real properties are illiquid investments, and we may be unable to sell, refinance or reposition a property or properties in response to changes in economic or other conditions. Real properties are illiquid investments and we may be unable to sell, refinance or reposition a property or properties in response to changes in economic or other conditions.
- An economic downturn could adversely affect rental income generated from end tenants. From time to time, an economic downturn could occur that would result in slowed economic activity.
- The properties may incur a vacancy either by the continued default of a tenant under its lease or the expiration of the lease. In addition, the property may have some vacancies at the time of closing if there is a lease default by or a bankruptcy or other adverse change in the credit ratings or financial condition of the tenants of the property.

Please be aware that Livingston Street Capital, LLC (the "Sponsor") and its officers, directors, employees and affiliates are not undertaking to provide impartial investment advice or to give advice in a fiduciary capacity in connection with the Trust's private placement of Interests and that the Sponsor and/or its affiliates have financial interests associated with the Offering, as described in the Memorandum, including fees, expense reimbursements and other payments it may receive in connection with the Offering. These materials are not intended as a recommendation to make an investment in the Offering and investors should consult their financial advisors before making an investment decision.

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