

LSC-DD MC1, DST

A 100% fully leased and occupied headquarters building



Address:

130 Royall Street, Canton, Massachusetts 02021

Property Size:

175,000 rentable SF

Total Purchase Price⁽¹⁾:

\$41,200,000

Total Debt (original principal amount):

\$25,527,000

Total Offering Size:

\$15,673,000

Loan-To-Value⁽²⁾:

62.00%

Average Pro-forma Distribution⁽³⁾:

6.44%

Minimum Cash Investment:

\$25,000

Minimum 1031 Investment:

\$100,000

Tenant:

Dunkin' Brands, Inc.

Tenant Use:

Corporate Headquarters
Research & Development

Property Type:

3-story office building

Lease Commencement:

January 1, 2014

Initial Lease Expiration:

December 31, 2029

Type Of Interest:

Ground Leasehold

Ground Lease Expiration:

May 31, 2099

(1) Consists of gross proceeds from the offering and total debt, including all offering costs.

(2) This is based on the Total Debt (original principal amount) / Total Purchase Price which is lower than the loan-to-value at the time the property was purchased.

(3) The average pro-forma distribution excludes amortization and is calculated for the entire 10-year period.

Livingston st
CAPITAL

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

TRANSACTION HIGHLIGHTS

- Long operating history at the property which began in 2004
- Significant capital invested by Tenant in excess of \$12 million⁽¹⁾
- Tenant executed a new lease in 2014 with approximately 12 years of remaining lease term
- Property serves as the corporate headquarters building for Dunkin' Brands Group, Inc.
- Minimal expense and maintenance obligations as the lease is considered net
- Dunkin' Brands Group, Inc. is listed on the NASDAQ under the symbol DNKN with an approximate market capitalization of more than \$5 billion
- Amortization on a 30-year schedule begins in Year 4 of the loan term

TRANSACTION OVERVIEW



Total Purchase Price ⁽²⁾ :	\$41,200,000
Total Loan Amount:	\$25,527,000
Total Offering Size:	\$15,673,000
Purchase Price (PSF):	\$235.43
Loan Amount (PSF):	\$145.87
Loan Maturity Date:	November 17, 2027
Loan Interest Rate:	4.49%
Loan Interest Only Period:	First 36 months of the loan
Loan Amortization:	30 years after interest-only period
Original Loan Term:	120 months

OFFERING SUMMARY



Total Offering Amount:	\$15,673,000
Offering Type:	Reg D
Minimum Investment (Cash):	\$25,000
Minimum Investment (1031):	\$100,000
Estimated Year 1 Pro-Forma Distribution:	5.80%
Estimated Average Pro-Forma Distribution ⁽³⁾ :	6.44%
Expected Distribution Frequency:	Monthly

⁽¹⁾ Based on information provided by tenant's property manager.

⁽²⁾ Consists of gross proceeds from the offering and total debt, including all offering costs.

⁽³⁾ The estimated average pro-forma distribution excludes amortization and is calculated for the entire 10-year period.

SPONSOR OVERVIEW

Livingston Street Capital, LLC

Livingston Street Capital, LLC is a boutique private equity firm whose investment strategies currently encompass three main sectors, including 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.

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 Tenant is a subsidiary of Dunkin' Brands Group, Inc. ("Dunkin"), one of the world's leading franchisors of quick service restaurants serving hot and cold coffee and baked goods, as well as hard-serve ice cream. Dunkin franchises restaurants under the Dunkin' Donuts and Baskin-Robbins brands and has more than 20,000 points of distribution in more than 60 countries worldwide. Dunkin operates its business in four segments: Dunkin' Donuts U.S., Dunkin' Donuts International, Baskin-Robbins International, and Baskin-Robbins U.S.

In fiscal year 2016, the Dunkin' Donuts segments generated revenues of \$630.9 million, or 79% of the total segment

revenues, of which \$608.0 million was in the U.S. segment and \$22.9 million was in the international segment.⁽¹⁾ In fiscal year 2016, Dunkin's Baskin-Robbins segments generated revenues of \$166.5 million, of which \$119.0 million was in the international segment and \$47.5 million was in the U.S. segment.⁽¹⁾

As of December 31, 2016, there were 12,258 Dunkin' Donuts points of distribution, of which 8,828 were in the U.S. and 3,430 were international, and 7,822 Baskin-Robbins points of distribution, of which 5,284 were international and 2,538 were in the U.S.⁽¹⁾ Dunkin' Brands Group, Inc. is listed on the NASDAQ under the symbol "DNKN."

DUNKIN' SUMMARY⁽²⁾

Annual Revenues:	\$829 million
Share Price (As of 12/19/17):	\$63.49
Estimated Market Cap (As of 12/19/17):	\$5.735 billion
Net Income:	\$196 million

LEASE SUMMARY

Lease Commencement:	January 1, 2014
Occupancy:	100%
Lease Expiration Date:	December 31, 2029
Current Rental Rate PSF:	\$17.00 ⁽³⁾
Expiration Date Plus Renewal Options:	December 31, 2039
# of Renewal Options:	Two 5-Year Options

GROUND LEASE SUMMARY

Lease Commencement:	October 1, 2000
Lease Expiration:	May 31, 2099
Current Annual Rent:	\$643,732
Escalations:	Based on CPI-W Boston-Brockton-Nashua, MA, NH, ME, CT

For more information please visit: www.dunkinbrands.com⁽⁴⁾

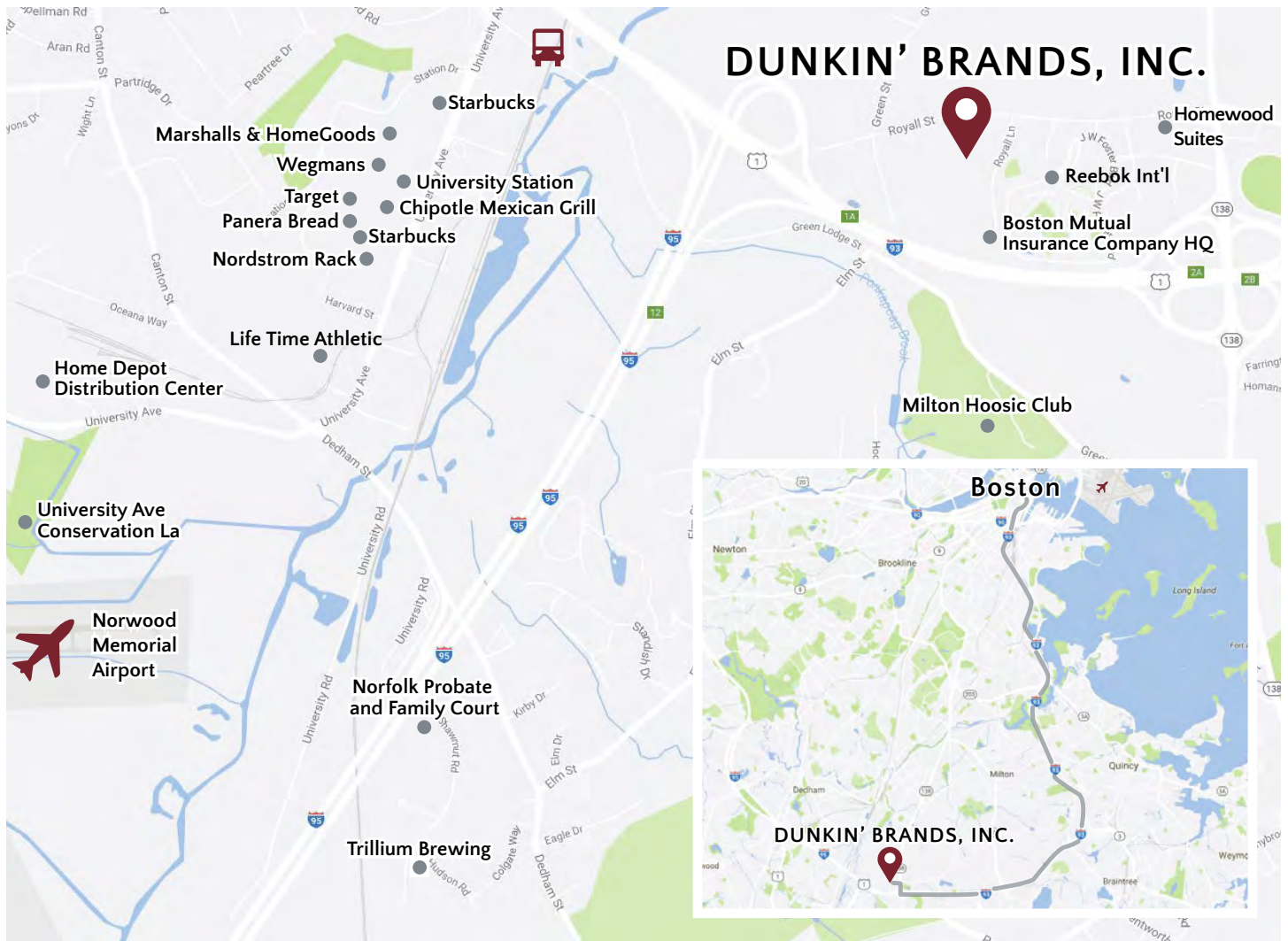
⁽¹⁾ Source: 2016 Annual Report of the Dunkin' Brands Group, Inc., available at investor.dunkinbrands.com.

⁽²⁾ All information was obtained from the 2016 annual report as well as publicly available sources for share price and estimated market cap.

⁽³⁾ Rental rate at time of issuance of the Offering in December 2017 was \$16.50 PSF, and increased to \$17.00 PSF as of 1/1/18.

⁽⁴⁾ Information available on or through the Dunkin' website is not a part of this offering.

AREA ANALYSIS



DUNKIN' BRANDS, INC. CANTON, MASSACHUSETTS

The property is located in the Town of Canton in Norfolk County, MA. Specifically, the property is located on Royall Street, just off Route 128 at the intersection of Interstate 95 in Canton. The subject is situated on the northwest quadrant of this interchange.

Royall Street is an established business park setting consisting primarily of owner-occupied industrial and office properties. According to the appraiser, the location is considered to be a prime office location

within the overall Route 128 south submarket.

Land uses within the subject neighborhood consist of a mixture of commercial and residential development. The immediate area surrounding the property consists primarily of office development within the Royall Street area and commercial along Route 128. Additional nearby uses include the headquarters office building of Boston Mutual Insurance Company as well as a Homewood Suites hotel.

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 the offer of interests (the "Interests") in the Trust (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 liability company (a "Transfer Distribution"). An interest in a limited liability company, 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 a sale of the property owned by the DST could affect the rate of return to the investors in the DST with respect to the property and the projected time of disposition of the property. In an environment of increasing mortgage rates, if we place mortgage debt on the property (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 the 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, the Asset Manager and the Property Manager 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" to cover certain fees and expenses of the Offering -- meaning that a portion of the marked-up purchase price for an Interest will be used by the Sponsor and/or its affiliates 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 the property 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 property 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 tenant 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 are advised to consult their financial advisors before making an investment decision.

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