

TUSCANY PLACE

440 S 2nd W • Rexburg, ID 83440



TARGETED BENEFITS

- 7% 1ST YEAR CASH-ON-CASH RETURN
- 100% CURRENT OCCUPANCY
- LOCATION: 2 BLOCKS FROM BYU-IDAHO CAMPUS
- TAX EFFICIENCY THROUGH DEPRECIATION

Anchored by the stability of BYU-Idaho

PROPERTY SUMMARY

Tuscany Place is a 48-unit student housing complex in Rexburg, ID, located two blocks from the growing BYU-Idaho campus. Built in 2004/2005, the property boasts a strong track record of high occupancy. Nelson Brothers attributes Tuscany's success to its location, reputation, amenity set and key distinguishing features, such as private bedrooms and ample parking.

PROPERTY PROFILE

Year Built	2004/2005
Number of Units	48
Number of Beds	288
Avg SF per Unit	1.063

Targeted Cash-on-Cash Return

2015	2016	2017	2018	2019	2020	2021
7%	7%	7.25%	7.25%	7.5%	7.5%	7.75%



OFFERING DETAILS

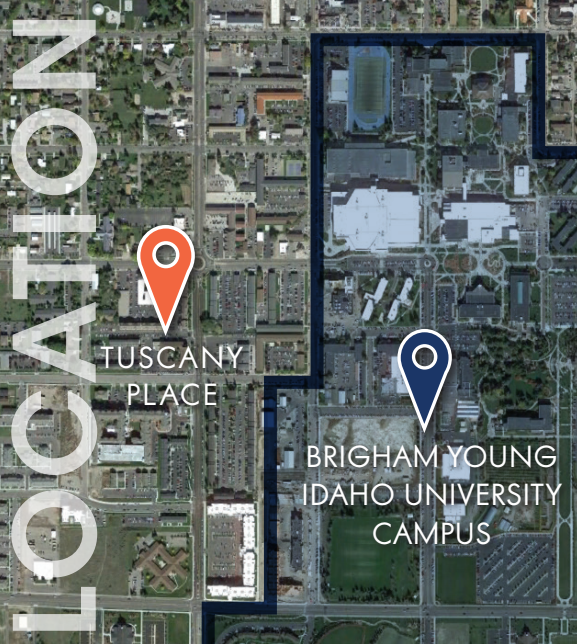
Total Offering Price	\$11,793,000
Total Loan Amount	\$7,762,000
Total Investor Equity	\$4,031,000
Loan-to-Value	65.82%
Minimum Investment	\$50,000

TARGET STRATEGY

The goal with Tuscany Place is to provide a balance of consistently high occupancy, monthly cash flow, tax efficiency and appreciation potential, anchored by the historical stability of the college.

With a five minute walk to most areas on campus, Nelson Brothers views Tuscany as one of the best located properties in the market. The university recently issued a policy requiring students to share bedrooms. Prior to the change, it remains one of few properties able to lease bedrooms on an individual basis. This could potentially give Tuscany a key selling point that students value tremendously and that many competitors cannot duplicate. If BYU-Idaho enrollment continues to grow, Nelson Brothers goal is to increase rental rates and grow property value.

LOCATION



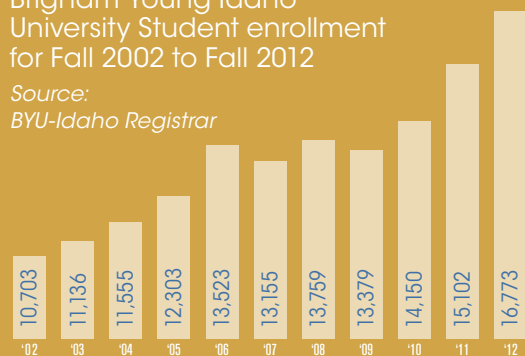
TUSCANY PLACE

BRIGHAM YOUNG IDAHO UNIVERSITY CAMPUS

BYU-IDAHO GROWTH

Brigham Young Idaho University Student enrollment for Fall 2002 to Fall 2012

Source: BYU-Idaho Registrar



Targeted Pro Forma Analysis*

Investor Equity	\$4,031,000
Revenue Growth Rate	3%
Expense Growth Rate	2%

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Totals
Revenue	\$1,110,099	\$1,143,402	\$1,177,704	\$1,213,035	\$1,249,426	\$1,286,909	\$1,325,516	
Expenses	\$374,146	\$481,873	\$491,968	\$502,278	\$512,809	\$558,012	\$574,752	
NOI	\$735,953	\$661,529	\$685,736	\$710,757	\$736,617	\$728,897	\$750,764	
Debt Service	(\$353,217)	(\$353,217)	(\$353,217)	(\$474,779)	(\$474,779)	(\$474,779)	(\$474,779)	
Cash Flow After Debt Service	\$382,737	\$308,313	\$332,520	\$235,978	\$261,838	\$254,118	\$275,985	
Cash on Cash Distributions	7.00%	7.00%	7.25%	7.25%	7.50%	7.50%	7.75%	
Investor Equity % Return	7.00%	7.00%	7.25%	7.25%	7.50%	7.50%	7.75%	
Principal Reduction	0.00%	0.00%	0.00%	3.08%	3.22%	3.37%	3.53%	
Total Principal	7.00%	7.00%	7.25%	10.33%	10.72%	10.87%	11.28%	64.45%

Targeted return does not include any appreciation potential.

*There is no guarantee the property will achieve these results. Actual results will vary, based on assumptions from historical performances and estimates of 3% annual revenue growth and 2% annual expense growth, which management believes are reasonable. For more information on the future events and circumstances that may cause actual results to materially differ from our assumptions, please review the section of the PPM under the caption "Risk Factors," including "Forward-Looking Statements."

** Excludes pre-paid taxes and insurance at close of escrow.

BYU-IDAHO: POTENTIAL ENROLLMENT GROWTH

BYU-Idaho is owned by the LDS or Mormon church. The school was initially founded as Rick's College in 1888 and upgraded to university status in 2001. It was named BYU Idaho to convey its relationship as a satellite to the church's flagship university - BYU, located in Provo, UT. At the time of its transition in 2000, Rick's College had an enrollment of 8,500 students. Currently, BYU-Idaho has more than 16,000 full time students. Nearly double. Nelson Brothers anticipates enrollment to continue to grow at a steady pace over the next decade.

Nelson Brothers believes a key to this growth is the extraordinarily large number of youth in the LDS demographic and the affordability of the school. Subsidized by the church, tuition is currently only \$1,875 per semester. Since BYU-Provo has capped its enrollment growth, Nelson Brothers believes BYU-Idaho may be well-positioned to capture a large share of LDS students going forward.

POTENTIAL RISK FACTORS TO CONSIDER

- Real estate securities are speculative and entail a high degree of risk.
- Suitable only for investors who have adequate means of providing for current needs and personal contingencies, can bear the economic risk of the investment, and have no need for liquidity. Investment only available to persons who are "accredited investors" as defined in Rule 501(a) of Regulation D under the Securities Act of 1933.
- Lack of Diversification, investment in a single asset creates higher risk and may expose invested principal.
- There is no assurance the property can generate income from investments or assurance of property appreciation or cash distributions.
- A lessee may have limited financial resources and no significant net worth.
- Loan default can result in a property foreclosure.
- There is no guarantee that the exit strategy will occur.
- Investments are subject to a variety of fees and commissions, including but not limited to carried interest, management fees, acquisition fee and disposition fees.



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 **Nelson Brothers**

STUDENT HOUSING AND ASSISTED LIVING INVESTMENTS

16B Journey | Aliso Viejo, CA 92656