



# APEX SOUTH CREEK, DST

## DUE DILIGENCE MEMORANDUM



# DEAL SUMMARY

Offering:	Apex South Creek, DST
Sponsor:	Versity Invest, LLC
Sponsor POC:	Tyler Carter (407) 716-3636; Tylerc@versityinvest.com
	Carolyn Sumner (229) 300-0248; carolyns@versityinvest.com
3rd Party Report:	Mick Law
Data Room Location:	<a href="https://versityinvest.com/due-diligence-login-request/">https://versityinvest.com/due-diligence-login-request/</a>
	For an invitation to our virtual deal room please reach out to Tyler or Carolyn

## OFFERING OVERVIEW AND STRUCTURE

Asset Class:	Multi Family (Class A+)
Offering Size:	\$73,058,386
Offering Structure:	Delaware Statutory Trust (DST)
Property Location:	3060 Southcreek Blvd. Orlando, FL 32824
Description:	The Property is a Class A, garden-style multi-family residential community located at 3060 Southcreek Boulevard, Orlando, Florida 32824 to be known as "Apex South Creek." The Property consists of a single parcel of land approximately 24.85 acres in size, upon which are situated ten three-story apartment buildings, a single-story clubhouse and leasing office, a single-story pool pavilion, a single-story maintenance building, and five single-story detached garage buildings with a total of 30 individual parking garage spaces. The ten apartment buildings contain approximately 304,000 square feet of net rentable residential area across 300 Units.
Original Construction:	2022
Acquisition Price ( <i>before cost</i> ):	\$100,000,000
Appraised Value:	\$106,000,000
Loan-To-Value:	38.63%
Minimum Investment:	\$50,000
Registration Type:	Private Placement - Reg D - 506(c)
Lease Structure:	Master Lease
Property Manager:	Book & Ladder

## INVESTOR REQUIREMENTS/PROGRAM OBJECTIVES

Investor Requirements:	Accredited Investors / Qualified Purchaser
Investment Goals:	Monthly Income and Capital Appreciation
Estimated Program Life:	5 to 7 Years

## REGULATORY FILINGS

Form D:	Filed located in Virtual Data Room
FINRA 5123:	Available upon request

## PROFESSIONALS

Appraiser:	CBRE
Legal:	Securities - Mosley, LLP
	Tax Opinion - Irvine Venture Law Firm



# USE OF PROCEEDS

## CaPITALIZATION AND USE OF PROCEEDS

### Source of Funds:

Offering Proceeds	\$73,058,386	61.37%
Debt	\$45,994,000	38.63%
Total Sources	\$119,052,386	100.00%

### Summary Of Uses - Itemized Detail Below

Offering Expenses and Fees ( <i>see Item I below</i> )	\$6,798,000	9.30%
Lender, Loan and closing Costs	\$3,000,000	4.11%
Sponsor Fees	\$4,000,000	5.48%
Accountable Reserves & Improvements ( <i>see item II below</i> )	\$4,848,173	6.64%
Offering Proceeds Applied to Purchase Price	\$54,412,213	74.48%
Total Application of Offering Proceeds	\$73,058,386	100.00%

### Item I- Offering Expenses and Fees:

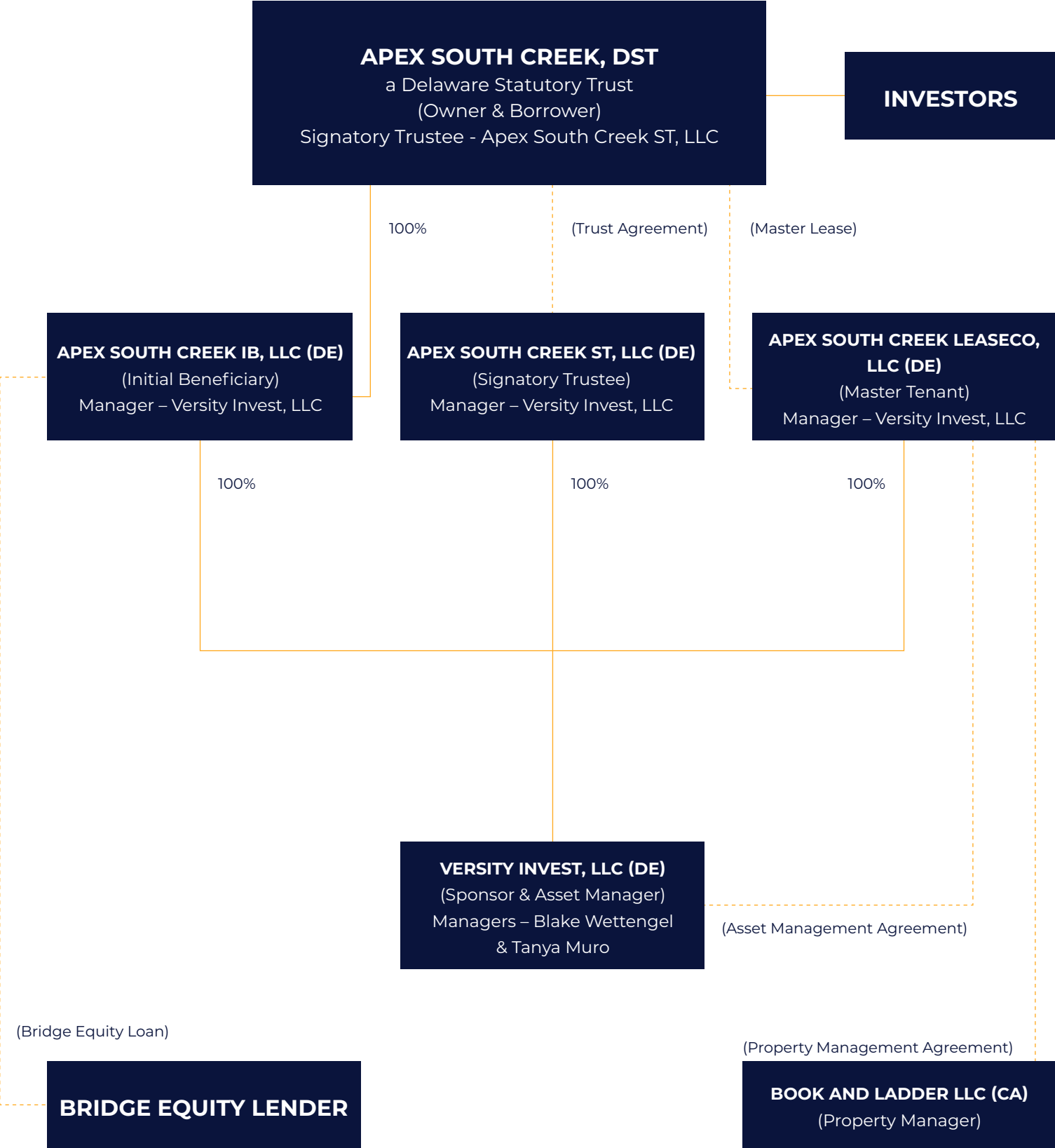
Selling Commissions	\$4,383,503	6.00%
Broker-Dealer, Marketing and Due Diligence	\$730,584	1.00%
Placement Fee	\$1,461,168	2.00%
O and O Expenses	\$222,745	0.30%
Total Offering Expenses and Fees	\$6,798,000	9.30%

### Item II - Accountable Reserves

Improvements & Working Capital	\$3,000,000	4.11%
Reserves	\$1,848,173	2.53%
Total Accountable Reserves	\$4,848,173	6.64%



# ORGANIZATIONAL CHART



# SPONSOR OVERVIEW

	Yes	No	Comments
<b>OFFERING / SPONSOR KEY METRICS</b>			
A. Number of years as a sponsor	<b>X</b>		Firm and subsidiaries began operations in 2007
B. Direct Experience- Financing	<b>X</b>		Have obtained financing from JP Morgan, UBS, KeyBank, Fannie, Freddie etc...
C. Experience with a large number of investors	<b>X</b>		Over 3,000
D. Experience in investor reporting	<b>X</b>		Maintains investor portal. Quarterly program reporting. Also has a dedicated investor relations team.
E. Background Checks	<b>X</b>		Completed on management by third party.
F. Product audited Financials	<b>X</b>		Annual cash-based audited financials
<b>CAPITALIZATION</b>			
A. Loans from Parent/Affiliate	<b>X</b>		Sponsor operates a series of diversified funds that allow (in part) its DSTs to borrow for uses including earnest money deposits.
B. Audited financial statements	<b>X</b>		
C. Track Record	<b>X</b>		
D. Sponsor/Manager Refinancing	<b>X</b>		Sponsor has substantial experience managing debt expiration in deals where the same is an issues (LLC's, TIC, etc.)
E. Self-Dealing; Purchase from Affiliates	<b>X</b>		Historically the sponsor has invested across the value chain. In a number of circumstances TIC and LLC structures were used for the initial purchase allowing the investor group to benefit from the risk/return profile afforded at that stage of the lifecycle. In certain circumstances when the first stage of the lifecycle was complete, new appraisals were obtained and a stabilized (DST) group of investors purchased properties from the TIC or LLC investors. In every instance, both sides of the transaction were made clear of the transaction mechanics. A few of those transactions have gone on to exit the DST leg of the transaction.



# PROPERTY REPORT CARD

## PROPERTY OVERVIEW

Property Website	<a href="https://ascendsouthcreek.com">https://ascendsouthcreek.com</a>
Property Class	A+
Property Video Tour	Available in the VDR
Construction Date	2022
Property Condition	Excellent
Number of Units	300
Occupancy at Purchase	94% (In 1st lease up)
Management Company	Book & Ladder
Latest Renovation	None
Amenities	Community amenities include clubhouse and leasing office with fitness center, community room with pool table and kitchen, yoga room and business lounge with private workstations and conference room, resort-style pool with lounge areas and poolside pavilion with covered outdoor kitchen, lounge and game areas, BBQ area, yoga lawn, picnic area with bocce ball court, dog park with grooming station, car wash station, large pond with jogging and walking trail, parcel locker system and electric car charging station. The Property has 588 parking spaces, including 30 detached private garages in five buildings located throughout the community and 12 handicap spaces, three of which are van accessible.
Property Strengths	Extremely well located in the coveted Lake Nona submarket of Orlando, FL. Orlando continues to lead the nation in migration, job growth, and household income growth.





# DISPOSITION ANALYSIS

Investor Proceeds: \$73,058,386

Projected Hold (yrs): 7

Exit Cap Rate		4.75%	5.00%	5.25%	5.50%	5.75%	6.00%
Terminal Operating Income		\$7,002,962	\$7,002,962	\$7,002,962	\$7,002,962	\$7,002,962	\$7,002,962
Sales Price	1.25%	\$147,430,779	\$140,059,240	\$133,389,752	\$127,326,582	\$121,790,643	\$116,716,033
Selling Cost		\$1,842,885	\$1,750,741	\$1,667,372	\$1,591,582	\$1,522,383	\$1,458,950
Net Sales Proceeds		\$145,587,894	\$138,308,500	\$131,722,380	\$125,735,000	\$120,268,260	\$115,257,083
Less Loan Payoff		\$ 42,515,044	\$42,515,044	\$42,515,044	\$42,515,044	\$42,515,044	\$42,515,044
Net Proceeds		\$103,072,850	\$95,793,456	\$89,207,336	\$83,219,956	\$77,753,216	\$72,742,039
Return of Equity		\$73,058,386	\$73,058,386	\$73,058,386	\$73,058,386	\$73,058,386	\$73,058,386
Gain/Loss on Sale		\$30,014,464	\$22,735,070	\$16,148,950	\$10,161,570	\$4,694,830	\$316,347



# DISCLOSURES

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Delaware Statutory Trust (DST) investments are subject to the various requirements and restrictions of Section 1031 of the United States Internal Revenue Code. IRC Section 1031, IRC Section 1033, and IRC Section 721 are complex tax codes; therefore, you should consult your tax and legal professional for details regarding your situation. Additionally, DSTs and other alternative investments are subject to substantial risks, including illiquidity, vacancies, general economic conditions, competition, potential adverse tax consequences, and the loss of.

Risks: Please note that the listing above is not an offer to sell nor a solicitation on an offer to sell, and is being supplied to you for information purposes only.

All investments have inherent risks including those risks common in real estate investment. Potential risks relating to each investment property are disclosed in a private placement memorandum that must be read by the investor prior to making an investment decision. These risks include but are not limited to:

Private Placements are speculative Illiquidity (there is currently no secondary market) Tax status risk which may result in immediate tax liabilities, including penalties. The fact that substantial fees associated with the purchase of the investment may, in certain cases, outweigh the tax benefits. some or all invested capital. Past performance is not a guarantee of future results. Diversification does not guarantee profits or protect against losses. Investments are only available to “accredited investors” as defined by the Securities and Exchange Commission. Securities offered through WealthForge Securities, LLC (Member FINRA (<http://www.finra.org>)/SIPC (<http://www.sipc.org>)). WealthForge Securities, LLC and are not affiliated.

The risks of using leverage in real estate. The significant tax risks for acquiring interests as replacement property. The risks associated with fractionalized ownership in real estate and investment contracts as securities Property appreciation is not guaranteed. The potential for loss of principal invested. Other certain risks are disclosed in detail within the Private Placement Memorandum and should be reviewed before investing.