

CS1031 WOODSHIRE APARTMENTS, DST

149 S. Budding Avenue | Virginia Beach, Virginia 23452

ACQUISITION DATE: DECEMBER 27, 2018



Offering Details

INVESTMENT COST	\$49,906,000
EQUITY RAISE	\$22,086,000
CASH-ON-CASH RETURN	5.50%
OFFERING LOAN-TO-VALUE	55.74%
FIXED INTEREST PROPERTY LOAN RATE	4.47%
LOAN TERMS	10-Year Term
	30-Year Amortization
	60 Months Interest Only

www.CapitalSquare1031.com

For Broker-Dealer and RIA Use Only

INVESTMENT HIGHLIGHTS



- **Close Proximity to Retail**

Woodshire benefits from being located within a mile of 800,000 square feet of retail amenities, including Town Center of Virginia Beach, which features Anthropologie, Dick's Sporting Goods, Lululemon and many more.

- **Strong Revenue & Rent Growth**

In the past year, rental income has grown over 10% and total revenue has grown almost 12%.

- **Value-Add Opportunity**

Previous ownership renovated five units, with each unit earning an average premium of \$200 per month. This demonstrated strategy will be expanded.

- **Minimal Deferred Maintenance**

Prior ownership invested approximately \$3.3M on maintenance items. Capital Square will focus on capital expenditures and unit upgrades to add value.

- **High Occupancy**

The property is currently 97% occupied as of December 2018, demonstrating clear demand and opportunity to raise rents.

- **Stable Military Presence**

Hampton Roads - made up of the cities Virginia Beach, Newport News, Hampton, Norfolk and Chesapeake - is the east coast epicenter of military activity. Along with a huge Navy footprint, the region hosts major Air Force, Army, Marine Corps and Coast Guard facilities.¹ The Department of Defense spends nearly \$15 billion annually in the Hampton Roads region.²

PROPERTY HIGHLIGHTS

Property Details

- 288-unit multifamily community
- 20 residential buildings
- 19.1 acres of land; 15.1 units per acre
- 97% occupied as of December 2018
- Originally constructed in 1975; renovated from 2017-2018



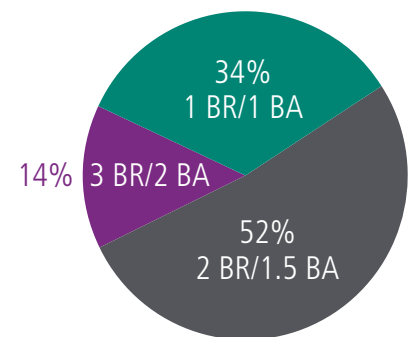
Top Community Amenities

- Fitness center
- Pet play area with agility
- Picnic area
- Swimming pool
- Playground
- Storage space available
- Reserved parking
- Grilling area
- Minutes from Interstate 264 and Virginia Beach Blvd.
- 5-minute drive to Pembroke Mall
- Easy access to the beach and downtown Norfolk



Unit Mix

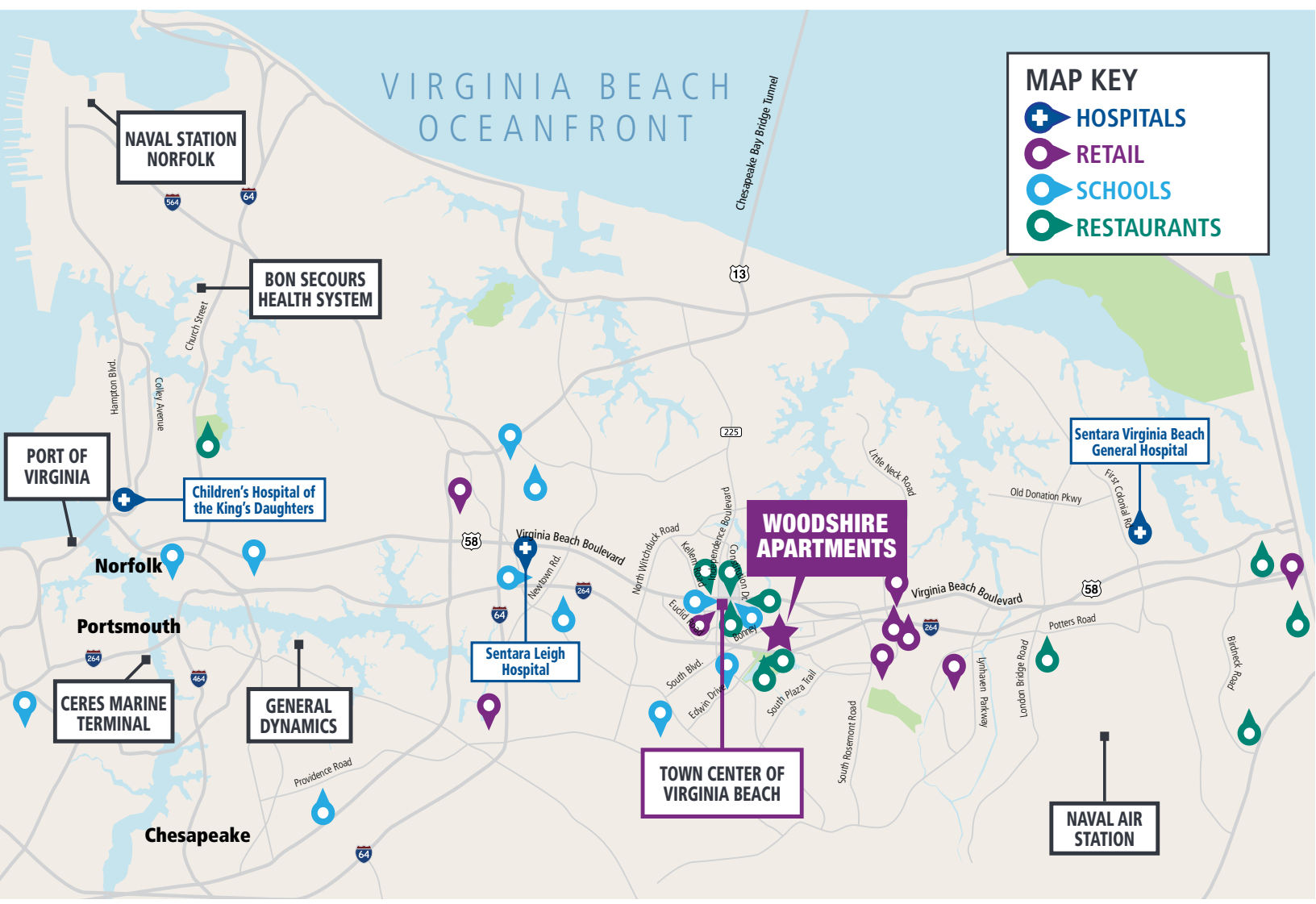
Unit Type	Number of Units	Square Feet	Rent Average
1 BR / 1 BA	11	900	\$981
1 BR / 1 BA	84	900	\$973
1 BR / 1 BA	1	900	\$1,142
2 BR / 1.5 BA	16	1,100	\$1,121
2 BR / 1.5 BA	4	1,100	\$1,323
2 BR / 1.5 BA	132	1,100	\$1,125
3 BR / 2 BA	7	1,300	\$1,354
3 BR / 2 BA	33	1,300	\$1,348
288 Total Units		1,061 Average Size	



LOCATION OVERVIEW

Woodshire Apartments is located in the heart of Virginia Beach, near top private employers: Bon Secours Health System, The Port of Virginia, Ceres Marine Terminal and General Dynamics.

Virginia Beach was ranked as one of the top places in the United States to start a business by Inc. Magazine (www.virginiabusiness.com).



Town Center of Virginia Beach Major Tenants



AREA OVERVIEW

Virginia Beach Coast

Where the Chesapeake Bay meets the Atlantic Ocean, the vibrant coastal city of Virginia Beach is home to a flourishing local culinary scene, rich history, a variety of arts and entertainment and family-friendly attractions that keep the locals and visitors entertained year-round. The city is one of the most popular tourist destinations on the east coast. Source: Colliers International



Notable Higher Education



Undeniable Assets

Hampton Roads, which Virginia Beach is a part of, is home to the **largest Naval base in the world** and the only NATO command on U.S. soil. The total Department of Defense population, including active duty and civilian personnel, is approximately 150,000 out of a total population of approximately 1.6 million. Major military units and headquarters include: NATO's Allied Command Transformation, U.S. Joint Forces Command, U.S. Fleet Forces Command, U.S. Air Force's Air Combat Command, U.S. Marine Corps Forces Command, and the U.S. Army Training and Doctrine Command. The military currently has 64 ships homeported in the area and 36 aircraft squadrons. They also have a variety of Navy Special Forces and support units.¹

The Port of Virginia

The Port of Virginia, approximately 20 minutes from the property, is estimated to generate \$17.5 billion in annual income and \$1.4 billion in state and local taxes.²

Sources: ¹ <https://www.hamptonroadschamber.com/page/our-military/> | ² <http://www.portofvirginia.com/>

Area information is general in nature provided for education purposes and may does may not reflect the performance of the property.

Top Area Employers





Woodshire Apartments Aerial View

ABOUT CAPITAL SQUARE

Capital Square 1031 is a national real estate investment and management company that sponsors investment-grade real estate exchange programs that qualify for tax deferral under Section 1031 of the Internal Revenue Code. The firm uses the Delaware Statutory Trust (DST) structure to make quality real estate available to a larger number of investors. Capital Square provides a range of services, including due diligence, acquisition, loan sourcing, property management/asset management, and disposition, for a growing number of high net worth investors, private equity firms, family offices and institutional investors.

FOR SALES AND OTHER INFORMATION, CONTACT:

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Securities offered through WealthForge Securities, LLC, the managing broker-dealer for the CS1031 Woodshire Apartments, DST offering and member FINRA/SIPC. Capital Square and WealthForge are not affiliated.

Consider the Risks: An investment in the Interests involves substantial investment and tax risks, including, without limitation, the following risks:

- Past performance is not a guarantee of future results.
- The economic success of the Interests will depend upon the results of operations of the Property. Fluctuations in vacancy rates, rent schedules, and operating expenses can adversely affect operating results or render the sale or refinancing of the Property difficult or unattractive.
- The Master Tenant's capitalization is supported solely by the cash flow from the underlying tenant lease. The Sponsor is not under any obligation to contribute capital to the Master Tenant.
- No assurance can be given that future cash flow will be sufficient to make the debt service payments on any borrowed funds and also cover capital expenditures or operating expenses.
- No assurance can be given that Beneficial Owners of Interests will realize a substantial return (if any) on their investment or that they will not lose their entire investment in the Trust.
- The Interests are not freely transferable by the Beneficial Owners.
- There are various risks associated with owning, financing, operating, and leasing commercial properties in Virginia.
- The Interests do not represent a diversified investment.
- Beneficial Owners must completely rely on the Master Tenant to collect the rent and operate, manage, lease, and maintain the Property.
- The Beneficial Owners have no voting rights with respect to the management or operations of the Trust or in connection with the sale of the property.
- There are various conflicts of interest among the Trust, the Sponsor, the Signatory Trustee, and their Affiliates.
- The Interests are illiquid.
- There are tax risks associated with an investment in the Interests.
- There are risks related to competition from properties similar to and near the property.
- There may be environmental risks related to the property.