



Date: December 20, 2022

Re: Privera Real Estate Apartment Fund VII, LLC

We are pleased to present an exciting investment opportunity for your consideration: Privera Real Estate Apartment Fund VII, LLC (TPAF VII). The Fund is being formed to capitalize on continued strong conditions in the apartment market. The minimum investment is \$50,000. Sponsors of TPAF VII will invest a minimum of \$10,000,000 of personal capital alongside our investment partners.

Privera Real Estate Apartment Fund VII follows on the success of our first six apartment funds, which were formed in 2007, 2010, 2012, 2013, and 2015, and have paid cumulative cash on cash returns of 23.3%, 9.0%, 17.0%, 14.7%, and 7.6% respectively. Our sixth fund, which closed in March 2018, is fully invested in real estate and has paid a cumulative annualized distribution of 6.5% to date. In addition to cash distributions, equity in our Funds continues to grow through property appreciation and mortgage principal reduction.

The objectives of Privera Real Estate Apartment Fund VII are as follows:

- Target an internal rate of return in the low to mid-teens over the life of the Fund;
- Invest in apartment properties producing strong cash flow as well as those where value can be created through renovations and stronger management for enhanced returns;
- Capture demand as the population's attitude towards home ownership continues to shift to renting by choice; and
- Diversify across a broad sector of growing secondary and tertiary markets that draw less attention from national investors.

Our acquisitions team has four excellent apartment properties under purchase agreement and is looking at others that fit within our investment criteria. Meadowridge, a 180-unit property in St. Charles, Missouri (St. Louis) and Watermark at Walnut Creek, a 220-unit property in Rogers, Arkansas (Northwest Arkansas), are both expected to provide strong yields. Walnut Creek, a "Class A" community built in 2017, is being purchased for \$167,955 per unit and Meadowridge, built in 2018/2019, is being purchased for \$157,778 per unit. Both properties offer additional upside through improved management. Trails at Cahaba River, a 400-unit "Class B" community in Birmingham, Alabama, recently underwent an extensive \$6.6 million renovation and rents are rising. We have an opportunity to add value through an additional \$2.3 million in renovations focused on further apartment upgrades and amenities. Finally, Encore Memorial is a "Class A" property built in 2012, located in Bixby, Oklahoma (Tulsa) that will be acquired for \$113,710 per unit, a price we believe to be roughly 20% below replacement cost.

With the closings of our first four acquisitions in mid and late January, we must move quickly. **We may limit our first capital closing, which will occur on January 21, to \$40,000,000.** We will open the fund for future investment as additional acquisitions are identified. Exhibit E in the enclosed Private Placement Memorandum further describes the Fund and the four initial properties. We've also enclosed the subscription materials. TPAF VII is open to new and returning investors, and we invite you to share this opportunity with those who may be interested. We hope you will consider joining us.

Sincerely,

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