

X FUND

A SUPERIOR ALTERNATIVE TO THE 1031 TAX DEFERRED EXCHANGE



ADVANCED X FUND 23, A CALIFORNIA LIMITED PARTNERSHIP "X FUND", is an exciting new investment plan for property owners to exit their properties, without the pitfalls and cash requirements of a complicated and difficult to execute 1031 tax deferred exchange.

With the **X FUND**, instead of a 1031 exchange, owners contribute their property into the fully managed **X FUND**, joining with others to create a diversified group of limited partners. Each limited partner will hold interest in a well-capitalized Southern California apartment consortium.

The **X FUND** will own a broad spectrum of properties which will be professionally managed by Advanced Real Estate "Advanced". With a current portfolio of over 10,000 apartments in Southern California, Advanced is uniquely situated to manage the complicated requirements of a multi-property portfolio's business plan. Advanced will immediately assume, replace, or pay off any of the owners' existing loans, while taking over the chores and liabilities of ownership. The existing owners will become passive limited partners and immediately begin receiving quarterly cash flow, while still enjoying the growth in equity as well as tax benefits typical of Real Estate ownership.

For more information, please contact:

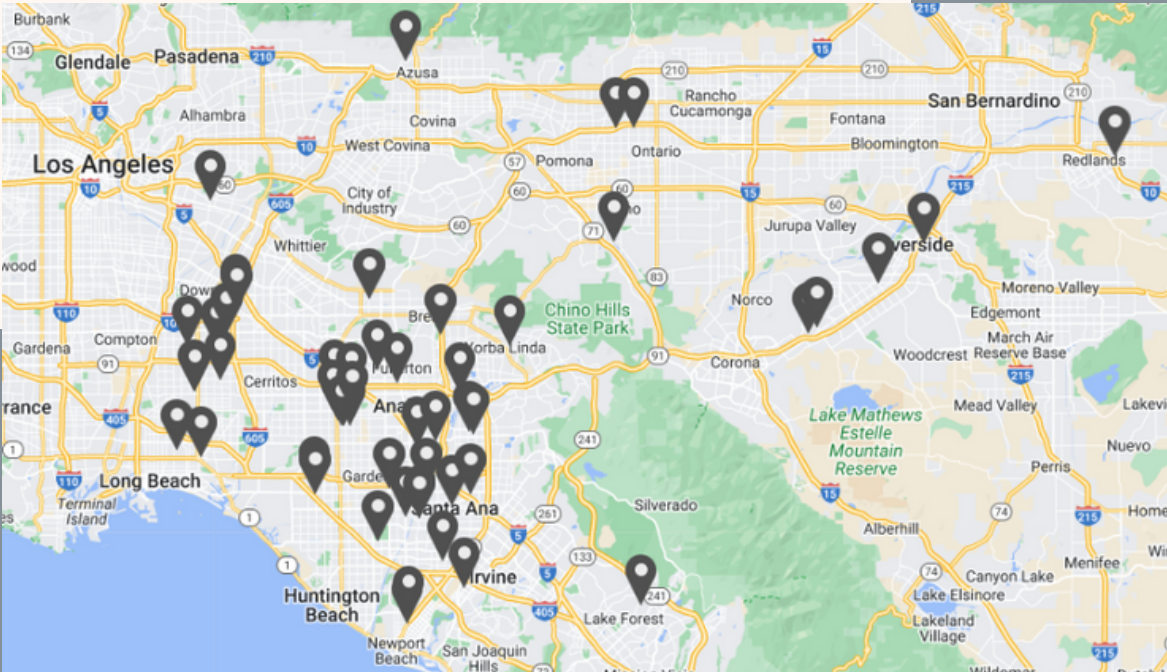
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OUR PORTFOLIO

Over 10,000 units in Southern California



DETAILED BUSINESS PLAN

The **X FUND** will develop a detailed business plan to complete renovations and reposition the entire portfolio of contributed properties in the first 2-3 years. Advanced will then execute the **X FUND's** ultimate stage, coordinating a portfolio sale of these assets to maximize value. The **X FUND** will then exchange into larger and more efficient apartment communities.

By working with Advanced's network of brokers, lenders, and consultants, Advanced will seek to execute this plan with an eye toward diversification, strong financial performance and tax efficiency.

AS A NEW PARTNER

As a new partner, owners will begin receiving cash flow immediately, at an estimated annual rate of 4% of the owners' net equity. Advanced's goal is for the partners to enjoy tax-sheltered cash flow through sophisticated tax planning.



In the following years, we predict growth in values, cash flow, and valuable tax benefits exceeding what we believe would be expected from the participants' existing ownership. This is based on an unparalleled, 40+ year track record of producing consistent results.

X FUND is not a loan, derivative, DST, or UPREIT. Existing owners will become a limited partner in the **X FUND** that will own a diversified portfolio of prime real estate in Southern California. As the real estate value grows, so does the partner's equity.



With one simple transaction, owners are relieved of all the personal demands and liability of apartment ownership. Partners will not worry about whether they can:

- Find an up-leg in the short 45-day time frame.
- Fund the additional money necessary for closing their sale or a hopeful up-leg, including loan and closing costs.
- Execute and pay for needed renovations.
- Qualify for financing.

Partners can be confident knowing that Advanced is fully immersed in the market and will be handling, with precision, all the heavy lifting. Backed by its financial resources and decades of knowledge, industry relationships, and experience Advanced has excelled during the past 40+ years in maximizing returns and navigating the tax laws to provide its partners extraordinary results.

SUMMARY-

X FUND BENEFITS TO THE INVESTOR

- ◆ **Alternative for Owners to Avoid the Pitfalls Related to 1031 Exchanges**
 - No need to 1031 exchange and risk a 45-day identification period.
- ◆ **No Cash Required**
 - Unlike a 1031 exchange, no cash must be added for pro-rations, deposits, or closing costs.
- ◆ **Cash Flow**
 - Scheduled 4% annual Cash Flow based on Net Equity.
- ◆ **Diversification**
 - Rather than owning one property, with the **X FUND**, investors will own a percentage of a diversified group of properties.
- ◆ **Shelter From Liability**
 - The **X FUND** will be assuming the legal burdens currently borne by the property owner.
- ◆ **No More Management or Renovation Trouble**
 - If needed, Advanced will professionally manage and renovate **X FUND** properties.
- ◆ **Improved Depreciation Benefits**
 - Advanced conducts cost segregation studies on the properties and anticipates providing improved depreciation schedules to reduce taxable income for **X FUND** partners.
- ◆ **Refinance Distributions**
 - Most cash distributions from refinance are tax-free.
- ◆ **Long-Term, Generational Returns**
 - The **X FUND** will grow its partner's investments ultimately into Large Apartment Complexes in Southern California, utilizing Advanced's economies of scale. We anticipate compelling appreciation and tax benefits. The **X FUND** partnership interests can be passed on generationally.
- ◆ **Clean, Seamless Estate Planning**
 - With Limited Partner ownership, the door is open to several estate planning options.

