TEI DIVERSIFIED INCOME AND OPPORTUNITY FUND III, LLC

INVESTMENT SUMMARY

UP TO $100,000,000

UNITS OF MEMBERSHIP INTERESTS

20,000 UNITS AT $5,000 PER UNIT

MINIMUM PURCHASE: 10 UNITS ($50,000)

FEWER UNITS MAY BE AVAILABLE

THIS INVESTMENT SUMMARY PREPARED BY NHCOHEN CAPITAL LLC, A SELLING GROUP MEMBER

SELLING GROUP MEMBER
C/O NHCOHEN PARTNERS LLC
2 PARK AVENUE, 14TH FLOOR
NEW YORK, NY 10016
ATTENTION: NED H. COHEN
212-498-6960

MANAGING BROKER-DEALER

THIS INVESTMENT SUMMARY DATED AUGUST 16, 2016

TEI Diversified Income and Opportunity Fund III, LLC
("the Company" or "Fund III")
Investment Summary

Overview:

TEI Diversified Income and Opportunity Fund III, LLC ("the Company" or "Fund III") is the third of the Income and Opportunity Fund program offered by an affiliate of Time Equities Inc. The Company has been formed to acquire a diversified portfolio of real estate investment properties and/or mortgages secured by such properties that are either (i) partially or wholly rented and operating on a stabilized basis or (ii) partially or entirely vacant but have additional lease-up potential and are being (or have been) acquired at favorable prices due to the properties' need of redevelopment, renovation and/or lease-up to enhance and/or create value for such Project.

As an income and opportunity fund, it is anticipated the Company will acquire a blend of income ("Income Properties") and turnaround properties ("Opportunity Properties"). Income Properties are expected to have a stabilized occupancy and are projected to yield (on average) in excess of 6% per annum on Invested Capital. Opportunity Properties will include properties (or mortgages that are secured by properties) that require implementation of a leasing and/or redevelopment plan, and if such plan is successful, are expected to exceed an average of 10% per annum on Invested Capital and may provide "cash out" refinancing opportunities, in whole or in part. Opportunity Properties are likely to be completely vacant or with significant vacancies when purchased and in need of repositioning.

The Company's investment may consist of either a partial or entire ownership interest of a Project. As to partial ownership interests, the other beneficial owners of a Property may be Affiliates of the Manager, a third party joint venture partner or tenant in common owner. The Manager may either have sole or joint control and management authority as to any applicable Project or consent right as to major decisions. The Investors will not have any management authority as to the operation of the Projects to be included in the Company.

The Fund may use Offering Proceeds to acquire all types of Projects, including but not limited to retail, office, multi-family, mixed use buildings, industrial buildings, residential and/or commercial condominiums, parking garages, secured debt through either a mortgage or deed of trust and/or a pledge of all of the ownership interests of a borrower, participations in secured debt and vacant land for development and/or redevelopment, which often times may consist of excess land included as part of a developed property. It is the Fund's goal, to the extent possible, to acquire a diversified portfolio, both geographically and by property type.

Projects to be acquired may consist of those located in the United States and internationally. As to international acquisitions, the Manager expects that they will be structured so Investors do not have to file any foreign income tax returns and in those countries where taxes paid from income generated in any such foreign country can result in a tax credit against one's U.S. taxes.

The Company may also participate in discounted debt repurchases, some of which may involve properties that affiliates of the Manager or a third party joint venture partner already own or have an interest therein.

The terms of the purchase and sale agreements for the Projects are not currently known (except for Projects heretofore acquired by the Company – see "Investment Identification").

The Diversified Income and Opportunity Fund program has invested approximately $76,184,571 to date in 30 Projects inclusive of co-investments among Fund I and Fund II, consistent with similar investment objectives of current return and near-term repayment of Original Invested Capital.

The principal objectives of the Company are to: (i) preserve the Members' capital investment; (ii) provide the Members with stable cash on cash returns from a diversified investment portfolio of Projects; (iii) realize income through acquisition, operation, management, capital appreciation, sale and/or refinancing of the Projects; and (iv) maintain on-going quarterly distribution payments after Members have received back 100% of their Original Invested Capital. The Company will target returns to Members of 6% per annum (the "Preferred Return") on Invested Capital. **There can be no assurance that any of these objectives will be achieved.**

The Manager has a disciplined investment and due diligence process, designed to identify and underwrite undervalued assets, that includes extensive transaction sourcing and a disciplined and highly selective investment approach focused on real estate fundamentals and risk management.

Manager: Time Equities Management III, LLC, a Delaware limited liability company, formed on January 6, 2016 is the Manager of the Company. The Manager is owned by Francis Greenburger and Robert Kantor, the chief executives of TEI (www.timeequities.com), who are the managers of the Manager.

Securities Offered: $100,000,000 in Membership Units in the Company (the "Units") offered at $5,000 per Unit. The minimum purchase is 10 Units ($50,000), except the Company, in its discretion, may accept subscriptions for fewer Units with a minimum of $25,000. Affiliates of the Sponsor will purchase 15% of the Units on the same terms as other Members. **There are fees and expenses associated with this investment.** (See "Estimated Use of Proceeds").

Operation of the Company: It is the plan of the Company to make distributions through earnings, re-financings and/or sales, equal or greater than 100% of the Original Invested Capital within 7 years after the Offering Termination Date. Notwithstanding the return of all of a Member's Original Invested Capital, each Member shall continue to be entitled to receive their share of additional distributions which may be made by the Company until all of the Projects owned by the Company have been sold. Subject to the above plan to return the Original Invested Capital, the Company may, at its option, reinvest all or any part of the net proceeds from a sale and/or financing to purchase additional Projects for the Company.

Investment Identification: Fund III is a fund which has not finalized its investments. A prospective investor must rely upon the judgment of the Manager to make future commitments of Fund III's capital. As of April 2016 Fund III owns interests in a portfolio of 11 office properties comprising 348,005 rentable square feet located within major submarkets in the Netherlands. Fund III acquired an 8.58% membership interest for $2,000,000. TEI principals and affiliates controlled by principals of TEI own 81.42%. A Dutch real estate company joint venture partner (Kimberley Groep B.V.) contributed the remaining 10%.

Distributions of Cash From Operations: Cash from Operations will be distributed in the following order of priority:

(1) First, 100% to the Members, in proportion to their accrued but undistributed Preferred Return, until the Members have been distributed an amount equal to their Preferred Return (a 6% cumulative but not compounded annual return on a Member's Unreturned Capital Contributions);

(2) Second, 100% to the Members until the Members receive the amount, which when added to the Priority Return Amount in subparagraph 1 above, equals 100% of the amount invested in the Fund by the Members;

(3) Third, 65% to the Members and 35% to the Manager until the Members have received an amount equal to a 12% cumulative, but not compounded, annual return on the Members' Unreturned Capital Contributions from all sources;

(4) Fourth, to the Manager in payment of any distributions due to the Manager but deferred as a result of distributions payable to the Members under subparagraph 2 above; and

(5) Thereafter, 55% to the Members and 45% to the Manager.

Notwithstanding the above, if the Company reinvests proceeds from the sale of any Project, the Company may, at the option of the Manager, make Distributions to the Members and the Manager to the extent such Distributions to the Members and the Manager are needed to pay income taxes associated with the allocation of Net Income to the Members and Manger upon the sale of such Project. Any such distribution will reduce subsequent distributions of cash from operations to be made to the Members and the Manager.

Repurchase or Redemption of Units:

Commencing on January 1, 2018 or the beginning of the next calendar year after the Offering Termination Date ("Initial Redemption Date"), subject to the Black Out Period (as described below), if Investors desire to liquidate some or all of their Units or Membership Interests in the Company, the Manager and/or its Affiliates have agreed to purchase up to five percent (5%) of the outstanding Units issued by the Company annually, on a first come, first served basis (the "Annual 5% Limitation").

Please note that investments in the Fund are intended to be long term in nature and the Fund endeavors to acquire Properties that will generate income and appreciation over a significant period of time. Generally, such properties appreciate, if at all, after some period of time has passed after the date of acquisition and the investment objectives of the Fund are more likely to be achieved during such a period. Accordingly, Investors investing in the Fund are advised that only investable funds that will not be needed to pay for personal expenses and other recurring costs should be committed to the Fund. Redemptions should be seen as a last resort in the case of an emergency.

Offering Termination Date:

The Units are being offered until the earlier of: (i) the sale of 20,000 Units for a maximum aggregate offering amount of $100,000,000 (the "**Maximum Offering Amount**"); or (ii) **May 30, 2017**, which date may be extended until **November 30, 2017** in the sole discretion of the Manager; or (iii) the termination of this Offering at an earlier date in the sole discretion of the Manager (the "**Offering Termination Date**").

Note:

IT CANNOT BE ASSUMED THAT INVESTORS IN FUND III WILL ENJOY RETURNS COMPARABLE TO THOSE INDICATED FOR ANY PRIOR INVESTMENT, AS PAST PERFORMANCE IS NO ASSURANCE OF FUTURE RESULTS. INVESTING IN REAL ESTATE INVOLVES A SUBSTANTIAL DEGREE OF RISK, WHICH MAY INCLUDE FLUCTUATIONS IN PROPERTY MARKETS, CAPITAL MARKETS, AND INTEREST RATES. THEREFORE, A COMPREHENSIVE EVALUATION AND DETAILED REVIEW IS REQUIRED OF ALL INVESTMENT DOCUMENTS, INCLUDING THE CONFIDENTIAL PRIVATE PLACMENT MEMORANDUM, THE SOLE MEANS FOR OFFERING THIS INVESTMENT. NEITHER THE SPONSOR, THE MANAGING BROKER-DEALER NOR SELLING GROUP MEMBER PROVIDE ASSURANCE THAT ANY INVESTMENT STRATEGY DESCRIBED HEREIN WILL RESULT IN A PROFIT OR PROTECT AGAINST A LOSS. THIS INVESTMENT MAY NOT BE SUITABLE FOR ALL INVESTORS. THE ABBREVIATED INFORMATION ABOVE IS NECESSARILY INCOMPLETE IN MANY IMPORTANT RESPECTS AND IS QUALIFIED BY THE CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM, WHICH MUST BE CAREFULLY REVIEWED IN ITS ENTIRETY BEFORE MAKING AN INVESTMENT DECISION.

THIS IS NOT AN OFFER. THIS OFFERING MATERIAL IS SUBJECT TO AMENDMENT. NO OFFER MAY BE MADE, AND NO DEPOSIT OR SUBSCRIPTION AGREEMENT MAY BE ACCEPTED, EXCEPT IN ACCORD WITH THE CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM.

TEI Diversified Income and Opportunity Fund III, LLC

("the Company" or "Fund III")

Introduction:

TEI Diversified Income and Opportunity Fund III, LLC ("the Company" or "Fund III") is the third of the Income and Opportunity Fund program offered by an affiliate of Time Equities Inc. The Company has been formed to acquire a diversified portfolio of real estate investment properties and/or mortgages secured by such properties that are either (i) partially or wholly rented and operating on a stabilized basis or (ii) partially or entirely vacant but have additional lease-up potential and are being (or have been) acquired at favorable prices due to the properties' need of redevelopment, renovation and/or lease-up to enhance and/or create value for such Project.

As an income and opportunity fund, it is anticipated the Company will acquire a blend of income ("Income Properties") and turnaround properties ("Opportunity Properties"). Income Properties are expected to have a stabilized occupancy and are projected to yield (on average) in excess of 6% per annum on Invested Capital. Opportunity Properties will include properties (or mortgages that are secured by properties) that require implementation of a leasing and/or redevelopment plan, and if such plan is successful, are expected to exceed an average of 10% per annum on Invested Capital and may provide "cash out" refinancing opportunities, in whole or in part. Opportunity Properties are likely to be completely vacant or with significant vacancies when purchased and in need of repositioning.

The Company's investment may consist of either a partial or entire ownership interest of a Project. As to partial ownership interests, the other beneficial owners of a Property may be Affiliates of the Manager, a third party joint venture partner or tenant in common owner. The Manager may either have sole or joint control and management authority as to any applicable Project or consent right as to major decisions. The Investors will not have any management authority as to the operation of the Projects to be included in the Company.

The Fund may use Offering Proceeds to acquire all types of Projects, including but not limited to retail, office, multi-family, mixed use buildings, industrial buildings, residential and/or commercial condominiums, parking garages, secured debt through either a mortgage or deed of trust and/or a pledge of all of the ownership interests of a borrower, participations in secured debt and vacant land for development and/or redevelopment, which often times may consist of excess land included as part of a developed property. It is the Fund's goal, to the extent possible, to acquire a diversified portfolio, both geographically and by property type.

Projects to be acquired may consist of those located in the United States and internationally. As to international acquisitions, the Manager expects that they will be structured so Investors do not have to file any foreign income tax returns and in those countries where taxes paid from income generated in any such foreign country can result in a tax credit against one's U.S. taxes.

The Company may also participate in discounted debt repurchases, some of which may involve properties that affiliates of the Manager or a third party joint venture partner already own or have an interest therein.

The terms of the purchase and sale agreements for the Projects are not currently known (except for Projects heretofore acquired by the Company – see "Investment Identification").

The principal objectives of the Company are to: (i) preserve the Members' capital investment; (ii) provide the Members with stable cash on cash returns from a diversified investment portfolio of Projects; (iii) realize income through acquisitions, operation management, capital appreciation, sale and/or refinancing of the Projects; and (iv) maintain on-going quarterly distribution payments after Members have received back 100% of their Original Invested Capital. The Company will target returns to Members of 6% per annum (the "Preferred Return") on Invested Capital. **There can be no assurance that any of these objectives will be achieved.**

The Manager has a disciplined investment and diligence process designed to identify and underwrite undervalued assets and employs a consistent and proven investment process that includes extensive transaction sourcing and a disciplined and highly selective investment approach focused on real estate fundamentals and risk management. Investment returns for each acquisition are analyzed using an immediate, mid-term and residual-value approach.

Fund III is the third opportunity fund sponsored by the Manager with the investment objectives referred to herein. The Manager believes that it has developed a deal flow of investment prospects from which Fund III will benefit.

The Diversified Income and Opportunity Fund program has invested approximately $76,184,571 to date in 30 Projects inclusive of co-investments among Fund I and Fund II, consistent with similar investment objectives of current return and near-term repayment of Original Invested Capital.

Affiliates of the Sponsor will purchase 15% of the Units on the same terms as other Members.

Operation of the Company:

It is the plan of the Company to make distributions through earnings, re-financings and/or sales, equal or greater than 100% of the Original Invested Capital within 7 years after the Offering Termination Date. Notwithstanding the return of all of a Member's Original Invested Capital, each Member shall continue to be entitled to receive their share of additional distributions which may be made by the Company until all of the Projects owned by the Company have been sold. Subject to the above plan to return the Original Invested Capital, the Company may, at its option, reinvest all or any part of the net proceeds from a sale and/or financing to purchase additional Projects for the Company.

Investment Identification:

Fund III is a fund which has not finalized its investments. A prospective investor must rely upon the judgment of the Manager to make future commitments of Fund III's capital. As of April 2016 Fund III owns interests in a portfolio of 11 office properties comprising 348,005 rentable square feet located within major submarkets in the Netherlands. Fund III acquired an 8.58% membership interest for $2,000,000. TEI principals and affiliates controlled by principals of TEI own 81.42%. A Dutch real estate company joint venture partner (Kimberley Groep B.V.) contributed the remaining 10%.

Manager:

Time Equities Management III, LLC, a Delaware limited liability company, formed on January 6, 2016 is the Manager of the Company. The Manager is owned by Francis Greenburger and Robert Kantor, the chief executives of TEI, who are the managers of the Manager.

Francis Greenburger is the founder, sole shareholder, director, chairman and chief executive officer of Time Equities, Inc. ("TEI") and is well known throughout the real estate industry for his ability to anticipate real estate trends and changing market conditions. Mr. Greenburger is the founder and principal benefactor of the more than 20 year-old Omni International Arts Center in Ghent, New York, a not-for-profit arts colony and educational center which hosts residency programs for visual artists, writers, dancers, musicians, and architects from throughout the world. He is also chairman of S.J. Greenburger Associates, Inc., a literary agency founded by his father more than 80 years ago, representing many world renowned and best-selling authors including Dan Brown, Nelson DeMille, Brad Thor, Daniel Amen, Patrick Rothfuss, Robin Preiss Glasser and Rosemary Wells.

Robert Kantor has been the president and chief operating officer of TEI since 1985 and is president of Time Equities Securities LLC, the Managing Broker-Dealer. Mr. Kantor is an attorney and CPA and has owned and operated for his own account (and that of his family) residential, office and retail properties in New York, New Jersey and Pennsylvania. Mr. Kantor is the manager or co-manager of more than one hundred real estate companies for affiliates of TEI and/or his family interests. Mr. Kantor is a principal registered with FINRA (the Financial Industry Regulatory Authority), and holds Series 22, 39 and 63 securities registrations.

About Time Equities, Inc.: TEI (www.timeequities.com) is a New York City based privately held diversified real estate investment, development, asset and property management company established in 1966. TEI currently owns approximately 22 million square feet of residential, industrial, office and retail property, including approximately 2,100 multifamily apartment units and additional development projects. The TEI portfolio comprises a diversity of property types, sizes and markets and includes investments in 28 states, 5 Canadian provinces, Germany, the Netherlands and Anguilla. In New York's Wall Street area, TEI has been a leader in the conversion of obsolete office buildings into residential apartments. (See "Time Equities Securities LLC TEI Diversified Income and Opportunity Fund III, LLC Investor Fact Sheet" for additional information).

Investment by the Manager and/or its Affiliates: The Manager and/or its Affiliates may subscribe for any number of Units for any reason deemed appropriate by the Manager. The Manager and/or its Affiliates have subscribed to 400 Units ($2,000,000) in satisfaction of the Initial Offering Amount. The Manager and/or its Affiliates will acquire a sufficient quantity of Units so that the Manager's (together with its Affiliates') equity investment (net of Selling Commissions and Expenses) will equal 15% of the total Offering Proceeds.

Other Entities Formed by Manager and/or its Affiliates: It is likely that the Manager and its Affiliates will form other entities which may have similar investment objectives to the Company. The Manager intends, but there is no requirement, that during the Company's investment period, if a property meets the investment criteria for the Company, the Company will acquire all or a portion of such property. However, the Manager and its Affiliates will have broad discretion regarding the acquisition of properties by the Company and it is possible that certain properties meeting the Company's investment objectives will not be offered to the Company for acquisition.

Members:	The members of the Company (the "Members") will be the purchasers of the Units including the Manager or its Affiliates to the extent the Manager or its Affiliates acquire Units. Each Member's liability will be limited to the amount of such Member's Capital Contribution to the Company (i.e., $5,000 per Unit), plus undistributed profits. The Manager and/or its Affiliates have become the Initial Members of the Company in connection with their purchase of the Initial Offering Amount.
Joint Venture Projects:	It is anticipated that Projects may be acquired with joint venture partners, some of which will share Project revenue with the Manager and its Affiliates in amounts that are different from those set forth in the Private Placement Memorandum. The profit sharing arrangement with the joint venture partner will not impact the share of profit, if any, to the Company. However, the joint venture partners may have different investment objectives and may have a different ability to provide additional capital to a Project.
Projects Financing:	The Company intends to finance the purchase of the Projects with proceeds of this Offering and loans obtained from third party lenders and/or Affiliates of the Manager. The Manager anticipates that the aggregate loan-to-value ratio for the Projects acquired will be between 0% and 75% based on the purchase price of the Projects with a target of 70% overall leverage for the Company's portfolio; *provided however*, that the Company may obtain financing that exceeds such loan-to-value ratio in its sole discretion. The Manager has not obtained any financing commitments for any Project.
Company Objectives:	The principal objectives of the Company will be to (i) preserve the Members' capital investment; (ii) provide the Members with stable cash on cash returns from a diversified investment portfolio of Projects; (iii) realize income through the acquisition, operation, management, capital appreciation, sale and/or refinancing of the Projects; and (iv) continue to maintain ongoing quarterly distribution payments after Members have received a full return of 100% of their Original Invested Capital. **There is no assurance that any of these objectives will be achieved.**
Projects Management:	Time Equities, Inc., an Affiliate of the Manager (the "Property Manager" or "TEI"), will manage the Projects and will receive property management fees in connection with such services. It is anticipated that, in some cases, the Property Manager will hire local property managers to manage the day-to-day operations at some of the Projects. In such case, any fee paid to the sub-manager will be paid from the Property Management Fee.

Securities Offered: $100,000,000 in Membership Units in the Company (the "Units") offered at $5,000 per Unit. The minimum purchase is 10 Units ($50,000), except the Company, in its discretion, may accept subscriptions for fewer Units with a minimum of $25,000. Affiliates of the Sponsor will purchase 15% of the Units on the same terms as other Members. **There are fees and expenses associated with this investment.** (See "Estimated Use of Proceeds").

NHCohen Capital LLC will be participating in this offering on a non-exclusive basis with other selling group members. The amount of membership units available for investors will depend in part on the timing of subscriptions accepted from investors from other selling group members.

NHCohen Capital LLC has agreed to reduce its Selling Commission by 1%. The effect to a subscribing member is that for each Minimum Purchase of $50,000, such subscriber will acquire its Units on a grossed up basis such that their initial capital account will be $50,500.

Term of the Company: The Operating Agreement provides that the existence of the Company will continue until December 31, 2065 unless sooner terminated in accordance with its terms. However, the Company will have a projected operating life of approximately 7 years after the Offering Termination Date.

Acquisition and Due Diligence Procedures: The Manager has established acquisition and due diligence procedures with respect to the Projects which utilizes a comprehensive due diligence checklist. Each transaction is thoroughly reviewed based on its own merits inclusive of economic terms, financial forecast and underwriting assumptions in connection with contract of sale. Due diligence is required to be completed either before a purchase and sale agreement is signed or during the due diligence period set forth in a signed purchase and sale agreement.

Preferred Return: The Members will be entitled to a 6% cumulative but not compounded annual return on Member's Unreturned Capital Contributions ("Preferred Return").

Distributions of Cash From Operations: Cash from Operations will be distributed in the following order of priority:

(1) First, 100% to the Members, in proportion to their accrued but undistributed Preferred Return, until the Members have been distributed an amount equal to their Preferred Return (a 6% cumulative but not compounded annual return on a Member's Unreturned Capital Contributions);

(2) Second, 100% to the Members until the Members receive the amount, which when added to the Priority Return Amount in subparagraph 1 above, equals 100% of the amount invested in the Fund by the Members;

(3) Third, 65% to the Members and 35% to the Manager until the Members have received an amount equal to a 12% cumulative, but not compounded, annual return on the Members' Unreturned Capital Contributions from all sources;

(4) Fourth, to the Manager in payment of any distributions due to the Manager but deferred as a result of distributions payable to the Members under subparagraph 2 above; and

(5) Thereafter, 55% to the Members and 45% to the Manager.

Notwithstanding the above, if the Company reinvests proceeds from the sale of any Project, the Company may, at the option of the Manager, make Distributions to the Members and the Manager to the extent such Distributions to the Members and the Manager are needed to pay income taxes associated with the allocation of Net Income to the Members and Manger upon the sale of such Project. Any such distribution will reduce subsequent distributions of cash from operations to be made to the Members and the Manager.

Quarterly Distributions: The principal objectives of the Fund include the intent to make quarterly distributions to the Members, which, in the Manager's discretion, may be funded from Offering Proceeds. The Manager will target Projects that the Manager believes will provide to the Members a current Preferred Return of 6% per annum on Invested Capital. The Fund intends to begin making the quarterly distributions to the Members beginning in the first full quarter after the acquisition of the first Project. **There can be no assurance that this objective will be achieved**.

Repurchase or Redemption of Units: Commencing on January 1, 2018 or the beginning of the next calendar year after the Offering Termination Date ("Initial Redemption Date"), subject to the Black Out Period (as described below), if Investors desire to liquidate some or all of their Units or Membership Interests in the Company, the Manager and/or its Affiliates have agreed to purchase up to five percent (5%) of the outstanding Units issued by the Company annually, on a first come, first served basis (the "Annual 5% Limitation").

Please note that investments in the Fund are intended to be long term in nature and the Fund endeavors to acquire Properties that will generate income and appreciation over a significant period of time. Generally, such properties appreciate, if at all, after some period of time has passed after the date of acquisition and the investment objectives of the Fund are more likely to be achieved during such a period. Accordingly, Investors investing in the Fund are advised that only investable funds that will not be needed to pay for personal expenses and other recurring costs should be committed to the Fund. Redemptions should be seen as a last resort in the case of an emergency.

Project Supplements: When the Company has acquired an interest in a Project on or before the Offering Termination Date of May 30, 2017 or if extended to November 30, 2017, the Confidential Private Placement Memorandum will be supplemented with a Project Supplement which will include information regarding each such Project acquired on or prior to the Offering Termination Date.

Audited Annual Financial Statements and Quarterly Project Reports: Within 120 days after the end of each year, the Company will make available to the Members an annual report containing audited financial statements of the Company. In addition, the Company intends to distribute quarterly reports as to the operation of the Projects owned by the Company.

Estimated Use of Proceeds: The Offering of 20,000 Units, as set forth in the Confidential Private Placement Memorandum, is being made to capitalize the Fund with an amount sufficient, when coupled with proceeds from anticipated loans, to acquire the Projects. Following table sets forth the estimated use of the proceeds based on the Maximum Offering Amount:

[Continued on Following Page]

	Maximum Offering	
	Amount	**Percentage of Gross Proceeds**
Gross Offering Proceeds	*$100,000,000*	*100.00%*
Organization and Offering Expenses[1]	$ 2,000,000	2.00%
Selling Commissions[2]	$6,860,000	7.00%
Marketing and Due Diligence[3]	$ 980,000	1.00%
Placement Fee[4]	$ 980,000	1.00%
Wholesaler Fee[5]	$ 980,000	1.00%
Available for Investment[6]	$88,200,000	88.20%
Total Application	**$100,000,000**	**100.00%**

Investor Suitability Standards:

The offer and sale of the Units are being made in reliance on an exemption from the registration requirements of the Securities Act of 1933 and will be sold only to Accredited Investors as defined in Rule 501 of Regulation D under such Act. Accredited Investors include (1) an individual whose net worth, together with that of his or her spouse, including investments and all property and other assets excluding the primary residence, exceeds $1,000,000; (2) an individual who had annual income in the two most recent years in excess of $200,000 individually (or $300,000 with spouse) and reasonably expects income at that level in the current year; (3) an individual who is serving as a

1 The Manager will be entitled to reimbursement for expenses incurred in connection with the Offering and the organization of the Fund (the "Organization and Offering Expenses"), including legal, marketing, accounting, printing and other costs and expenses directly related to the Offering. Organization and Offering Expenses will be limited to 2% of the Offering Proceeds raised by the Fund.

2 Selling Commissions in an amount up to 7% of the purchase price of Units will be paid by the Fund to TEI Securities who will thereafter pay any Selling Commissions due to the Selling Group Members. The Manager and/or its Affiliates will acquire Units net of Selling Commissions and Expenses. The above amount for Selling Commissions does not include the Selling Commissions for the Initial Offering Amount to be subscribed for by the Manager and/or its Affiliates. The Fund may, in its sole discretion, accept purchases of Units net of all or a part of the Selling Commissions and Expenses otherwise payable from investors purchasing units through the Managing Broker-Dealer, a registered investment advisor and/or through a Selling Group Member, if, to the extent applicable, the Managing Broker-Dealer, a registered representative from such Selling Group Member is willing to reduce and/or waive such fees. This also applies to the purchase of Units by the Manager and/or its Affiliates. As a result, certain investors may acquire their Units on a gross up basis as to the amount of the Selling Commissions and Expenses that are not incurred by such Investors.

3 TEI Securities will receive a non-accountable marketing and due diligence allowance equal to 1% of Total Sales which it may pay, in whole or in part, to Selling Group Members.

4 TEI Securities will receive a placement fee equal to 1% of the Total Sales.

5 TEI Securities will receive a fee equal to 1% of the Total Sales to which TEI Securities will pay, in whole or in part, to certain wholesalers, some of which are internal to TEI Securities ("Wholesaler Fee").

6 Amounts available for investment will be used to acquire the Projects, to pay closing Project expenses and to establish reserves for each Project.

director or executive director of the issuer or its management entity; (4) a corporation, partnership, company, or similar entity all of whose owners (shareholders, partners, members) are Accredited Investors; (5) a corporation, partnership, company, trust or similar entity which has $5,000,000 of gross assets and other investment activities and which was not formed for the purpose of making this investment; (6) a grantor trust created by and for Accredited Investor(s); (7) a trust with an institutional trustee such as a bank which signs the subscription documents; and (8) an institution such as a bank.

There are additional persons and entities that may qualify as Accredited Investors. Please contact NHCohen Capital LLC for further information.

Investment in the Units involves a high degree of risk and is suitable only for persons of substantial financial means who have no need for liquidity in this investment. The investment will be sold only to investors who (i) purchase a minimum of 10 Units for a purchase price of $50,000, except that the Company may permit certain investors to purchase fewer Units, in its sole discretion, and (ii) represent in writing that they meet the investor suitability requirements established by the Manager and as may be required under federal law. Please carefully review the Private Placement Memorandum and all Exhibits and attachments thereto.

Managing Broker-Dealer: Time Equities Securities LLC, 55 Fifth Avenue, 15th Floor, New York, NY 10003 (212-206-6176) is a SEC registered broker-dealer and a member of FINRA.

Selling Group Member: NHCohen Capital LLC, 2 Park Avenue, 14th Floor, New York, NY 10016 (212) 498-6960 is a SEC registered broker-dealer and a member of FINRA. NHCohen Capital has executed a Soliciting Dealer Agreement to solicit offers for the purchase of the Units referred to herein and more fully described in the Confidential Private Placement Memorandum.

Conflicts of Interest: The Principal of the Manager may act, and are acting, as the sponsor of offerings of other real estate funds and as a manager of these funds, will have conflicts of interest in allocating management time, services and functions between these various enterprises, including the Company.

Additionally, the Manager will receive fees and other compensation from the offering and sale of the Units. As a result, conflicts of interest between or among the Company and the Manager may occur from time to time.

Investment Risks:

INVESTING IN REAL ESTATE INVOLVES A SUBSTANTIAL DEGREE OF RISK, WHICH MAY INCLUDE FLUCTUATIONS IN PROPERTY MARKETS, CAPITAL MARKETS AND INTEREST RATES. A COMPREHENSIVE EVALUATION AND DETAILED REVIEW IS REQUIRED OF ALL INVESTOR DOCUMENTS, INCLUDING THE CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM.

NO ASSURANCE IS PROVIDED IN THIS INVESTMENT SUMMARY THAT ANY INVESTMENT STRATEGY WILL RESULT IN A PROFIT OR PROTECT AGAINST A LOSS. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS. THIS INVESTMENT MAY NOT BE SUITABLE FOR ALL INVESTORS.

DUE TO THE SPECULATIVE NATURE OF THE INVESTMENT, AN INVESTOR SHOULD NOT INVEST UNLESS THEY CAN WITHSTAND THE LOSS OF THEIR ENTIRE INVESTMENT. THE INVESTMENT IS ILLIQUID, THEREFORE, AN INVESTOR SHOULD NOT INVEST IF THEY ANTICIPATE THAT THEY MAY REQUIRE ANY OR ALL OF THEIR INVESTMENT RETURNED TO THEM WITHIN THE PRESCRIBED HOLDING PERIOD.

PLEASE SEE THE CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM FOR THE RISK FACTORS TO BE CONSIDERED WHEN EVALUATING THIS INVESTMENT.

Note:

THE CONFIDENTIAL PRIVATE PLACMENT MEMORANDUM IS THE SOLE MEANS FOR OFFERING THIS INVESTMENT. NEITHER THE SPONSOR, NOR THE PLACEMENT AGENT PROVIDE ASSURANCE THAT ANY INVESTMENT STRATEGY DESCRIBED HEREIN WILL RESULT IN A PROFIT OR PROTECT AGAINST A LOSS. THE ABBREVIATED INFORMATION ABOVE IS NECESSARILY INCOMPLETE IN MANY IMPORTANT RESPECTS AND IS QUALIFIED BY THE CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM, WHICH MUST BE CAREFULLY REVIEWED IN ITS ENTIRETY BEFORE MAKING AN INVESTMENT DECISION.

THIS IS NOT AN OFFER. THIS OFFERING MATERIAL IS SUBJECT TO AMENDMENT. NO OFFER MAY BE MADE, AND NO DEPOSIT OR SUBSCRIPTION AGREEMENT MAY BE ACCEPTED, EXCEPT IN ACCORD WITH THE CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM.

About NHCohen Capital LLC and NHCohen Partners LLC

NHCohen Capital LLC, a broker-dealer registered with the Securities and Exchange Commission, and a member of FINRA, will be the placement agent for the securities associated with the investment offerings of NHCohen Partners and is a Selling Group Member for TEI Diversified Income and Opportunity Fund III, LLC.

NHCohen Partners is an investment firm that identifies quality opportunities for high-net-worth individuals and family entities to diversify their holdings, with a special emphasis on real estate. The firm carefully evaluates partnership structures to help investors realize all of the potential benefits of real estate, including income, capital appreciation, and tax and estate planning advantages, with preservation of capital receiving the highest priority. President and founder Ned H. Cohen is a principal and operations professional registered with the Financial Industry Regulatory Authority (FINRA), and holds Series 22, 39, 63 and 99 securities registrations. For more information, please visit www.nhcohenpartners.com.

NHCohen
CAPITAL LLC
MEMBER FINRA