

OFFERING MEMORANDUM

SEDONA HILLS

PINES AT RICHMOND

192 Units | 4615 Summerhill Road, Texarkana, TX 75503

60 Units | 1915 Richmond Road, Texarkana, TX 75503



Two Multi-Family Apartment Communities - 252 Total Units



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Sedona Hills



Pines at Richmond

PROPERTY AND MARKET ANALYSIS

Properties Description

Sedona Hills and Pines are located in the heart of Texarkana, Texas next to all of the major retailers, high schools, and the East/West Interstate 30. In addition to their central location, they are also located approximately two miles from one another. Both properties are in good to excellent condition having undergone some considerable improvements to enhance even further what was already two wonderfully situated properties. Both properties are primed to continue to take advantage of a strong Texarkana market.

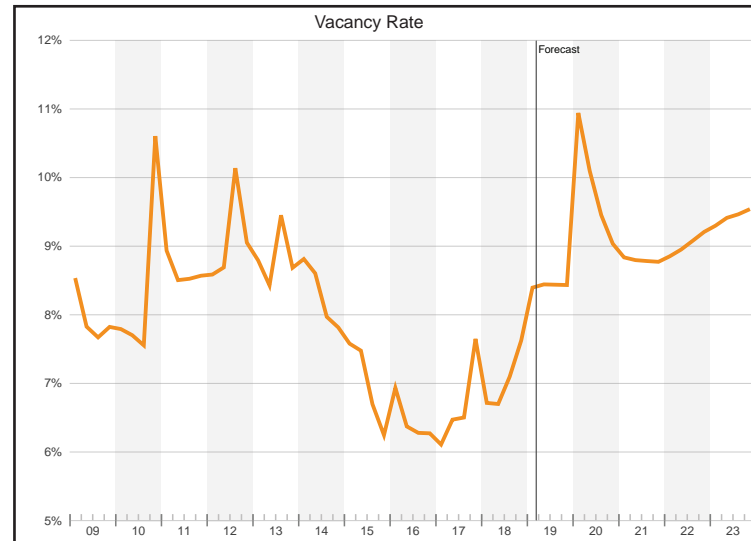
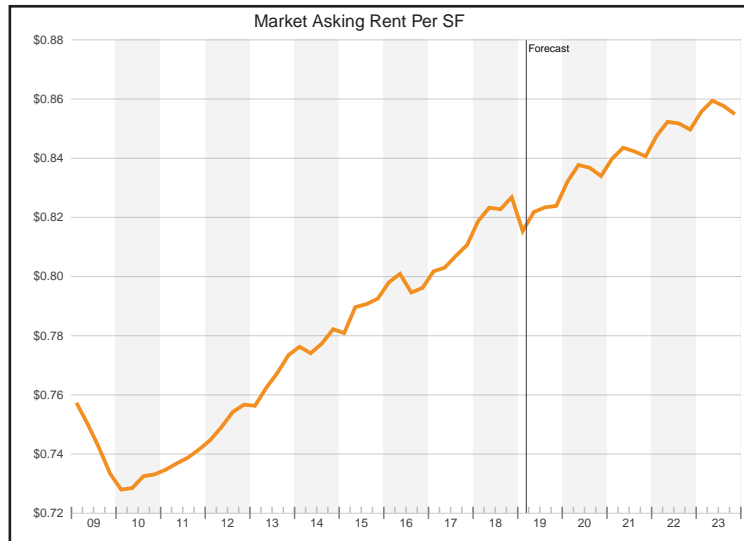


Rental Analysis

Both properties have experienced significant improvements over the past few years which allowed for owners to test the market with aggressive rents. Some very slight rental correction has been made to both properties to attempt to find the “sweet” spot for the Texarkana market and occupancy has begun to increase as a result. All comparable properties in the area are in the 92%+ occupancy range, with some at 98%, and with the slight corrections, Sedona and Pines will quickly join them. By studying the rents and occupancy in the Texarkana rental market from comparable properties, there remains the strong possibility for continued rental growth.

Market Analysis

The Texarkana market rate has enjoyed a slow decline in the vacancy rate over the last 5 years indicating a strong and healthy market. In 2010 and 2012 there was a slight increase in vacancy as new units were introduced online and the forecast for the first quarter of 2020 indicates a possible jump in vacancy as 118 new units are introduced to the market with an almost immediate correction through the year as the market absorbs the units. The market asking rates are encouraging for the past 10 years with the forecast indicating continued rental growth.



LOCATION HIGHLIGHTS

Texarkana is a regional center for employment, health care, and education. The retail and services trade area encompasses a 17-county area in parts of three states. The workforce is drawn from a 60-mile radius.

The defense cluster is the region's largest employment segment. The medical, educational, and retail clusters contribute to Texarkana's role as a regional center for commerce and industry.

Transportation has long been a key to growth and development of Texarkana. Union Pacific and Kansas City Southern railroads serve the region as does the TX Northeastern short line railroad. Vehicular traffic has access to I-30, I-49, US-59, US-67, US-71, and US-82. Proposed I-69 will connect with I-30 in Texarkana. Texarkana Regional Airport has two runways and is served by American Airlines. TAC Air provides fixed base operation (FBO) services.

The largest universities in Texarkana, TX-AR Metro Area are Texarkana College, with 806 graduates, Texas A & M University-Texarkana, with 505 graduates.



DEMOGRAPHIC SNAPSHOT - 1/3/5 MILE RADIUS - SEDONA



Community Profile

4615 Summerhill Rd, Texarkana, Texas, 75503
Rings: 1, 3, 5 mile radii

Prepared by Esri
Latitude: 33.46178
Longitude: -94.06586

	1 mile	3 miles	5 miles
Population Summary			
2000 Total Population	4,729	41,791	68,937
2010 Total Population	5,066	43,008	73,274
2018 Total Population	5,086	43,918	75,226
2018 Group Quarters	143	1,709	3,068
2023 Total Population	5,106	44,486	76,329
2018-2023 Annual Rate	0.08%	0.26%	0.29%
2018 Total Daytime Population	14,891	60,038	91,589
Workers	12,215	35,608	49,350
Residents	2,676	24,430	42,239



Executive Summary

4615 Summerhill Rd, Texarkana, Texas, 75503
Rings: 1, 3, 5 mile radii

Prepared by Esri
Latitude: 33.46178
Longitude: -94.06586

	1 mile	3 miles	5 miles
Median Household Income			
2018 Median Household Income	\$47,919	\$40,762	\$41,517
2023 Median Household Income	\$51,625	\$45,147	\$46,624
2018-2023 Annual Rate	1.50%	2.06%	2.35%
Average Household Income			
2018 Average Household Income	\$62,148	\$60,113	\$61,110
2023 Average Household Income	\$69,190	\$66,944	\$68,702
2018-2023 Annual Rate	2.17%	2.18%	2.37%

DEMOGRAPHIC SNAPSHOT - 1/3/5 MILE RADIUS - PINES



Community Profile

1915 Richmond Rd, Texarkana, Texas, 75503
Rings: 1, 3, 5 mile radii

Prepared by Esri
Latitude: 33.45252
Longitude: -94.08101

	1 mile	3 miles	5 miles
Population Summary			
2000 Total Population	5,797	41,928	70,416
2010 Total Population	6,121	43,853	74,764
2018 Total Population	6,071	45,135	76,837
2018 Group Quarters	32	1,457	3,498
2023 Total Population	6,055	45,855	77,951
2018-2023 Annual Rate	-0.05%	0.32%	0.29%
2018 Total Daytime Population	15,597	61,966	91,633
Workers	12,498	36,771	48,226
Residents	3,099	25,195	43,407



Executive Summary

1915 Richmond Rd, Texarkana, Texas, 75503
Rings: 1, 3, 5 mile radii

Prepared by Esri
Latitude: 33.45252
Longitude: -94.08101

	1 mile	3 miles	5 miles
Median Household Income			
2018 Median Household Income	\$36,642	\$41,400	\$41,538
2023 Median Household Income	\$39,447	\$45,878	\$46,696
2018-2023 Annual Rate	1.49%	2.08%	2.37%
Average Household Income			
2018 Average Household Income	\$49,161	\$60,823	\$61,088
2023 Average Household Income	\$54,804	\$67,931	\$68,734
2018-2023 Annual Rate	2.20%	2.24%	2.39%

TEXARKANA, TX PROFILE

MAJOR EMPLOYERS (200+ EMPLOYEES)

Red River Army Depot & Tenants	4135
CHRISTUS St. Michael Health System	1800
Cooper Tire & Rubber	1750
AECOM/URS	1300
Southern Refrigerated Transport	1235
Wal-Mart Department Stores	1200
Texarkana, TX Ind. School District	1150
Domtar, Inc.	900
International Paper Company	800
Wadley Regional Medical	755
Truman Arnold Companies	700
Harte-Hanks	695
Texarkana, AR School District	675
Red River Army Depot	623
Collom & Carney Clinic	611
Texarkana College	450
Ledwell & Sons Enterprises	435
Liberty Eylau Ind. School District	412
Texarkana, Texas – City	395
Wholesale Electric	318
Albertson's	300
E-Z Mart Stores, Inc.	275
Pleasant Grove Ind. School District	275
McDonald's	255
AEP/SWEPCO	250
Texarkana, Arkansas – City	240
Texas A&M University-Texarkana	220
Sterno Products	205
Smith-Blair, Inc.	200



Christus St. Michael



Red River Army Depot



Texas A&M Texarkana



REGIONAL CITIES AND THEIR DISTANCE FROM TEXARKANA INCLUDE:

■ Shreveport, LA	72 miles	■ Dallas, TX	180 miles
■ El Dorado, AR	97 miles	■ Alexandria, LA	197 miles
■ Little Rock, AR	144 miles	■ Memphis, TN	277 miles
■ Monroe, LA	172 miles	■ Houston, TX	289 miles

LOCATION *Sedona Hills: 4615 Summerhill Road, Texarkana, TX 75503* *The Pines at Richmond: 1915 Richmond Road, Texarkana, TX 75503*



NEIGHBORHOOD AERIAL



Sedona Hills: 4615 Summerhill Road, Texarkana, TX 75503

Pines at Richmond: 1915 Richmond Road, Texarkana, TX 75503



SEDONA HILLS

4615 Summerhill Road, Texarkana, TX 75503

Property Highlights:

- Units: 192
- Year Built: App. 1976
- Total Square Feet: 156,288
- Average Square Feet: App. 809
- Parking Spaces: Approximately 356
- Type of Building: Two Story Garden Style



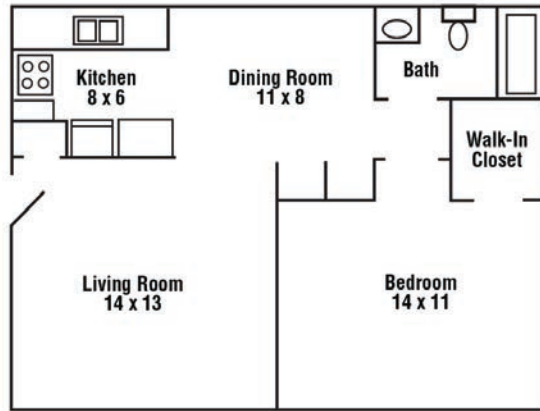
This quality community offers residents four different floor plans averaging 809 square feet., consisting of 1 bedroom/1 bath units, 2 bedroom/1 bath units, 2 bedroom/2 bath units, and 3 bedroom/2 bath units. The 21 two-story garden style buildings are constructed of mostly stucco siding with metal pitched roofs. Wiring at Sedona Hills is copper, plumbing is CPVC and PVC. 38 units have side by side washer dryer connections, with an additional 35 having stackable connections. Water is paid by the property with an allocation to tenants for reimbursement. Electricity, trash and pest control are paid by the tenants.



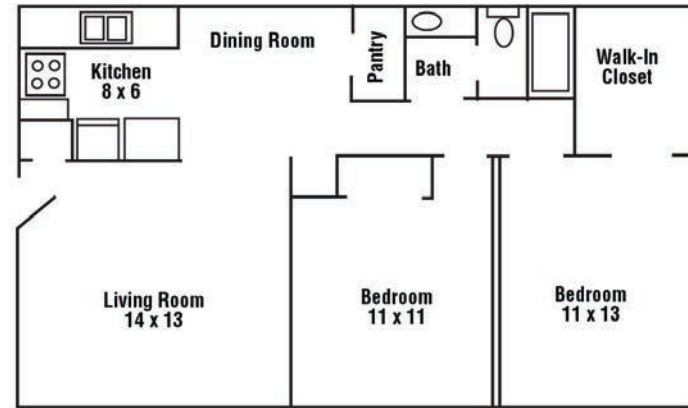
Unit Mix:

Type	Unit #	Market Rent	Square Footage	Price/SF
1 Bedroom/1 Bath	106	\$584	680	\$.86
2 Bedroom/ 1 Bath	16	\$661	860	\$.77
2 Bedroom/ 2 Bath	64	\$695	952	\$.73
3 Bedroom/ 2 Bath	7	\$975	1,360	\$.72

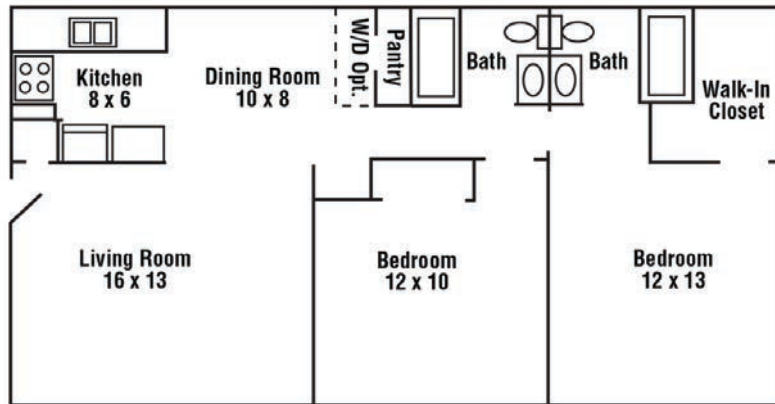
SEDONA HILLS FLOOR PLANS:



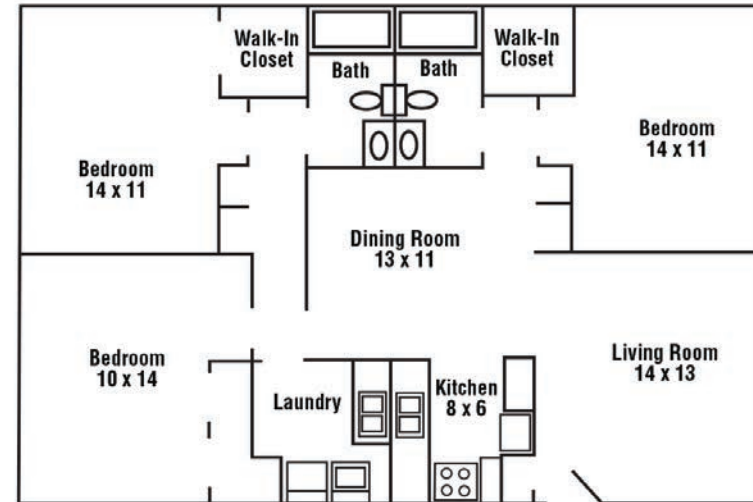
1 BED - 1 BATH - 680 SQ FT



2 BED - 1 BATH - 860 SQ FT



2 BED - 2 BATH - 952 SQ FT



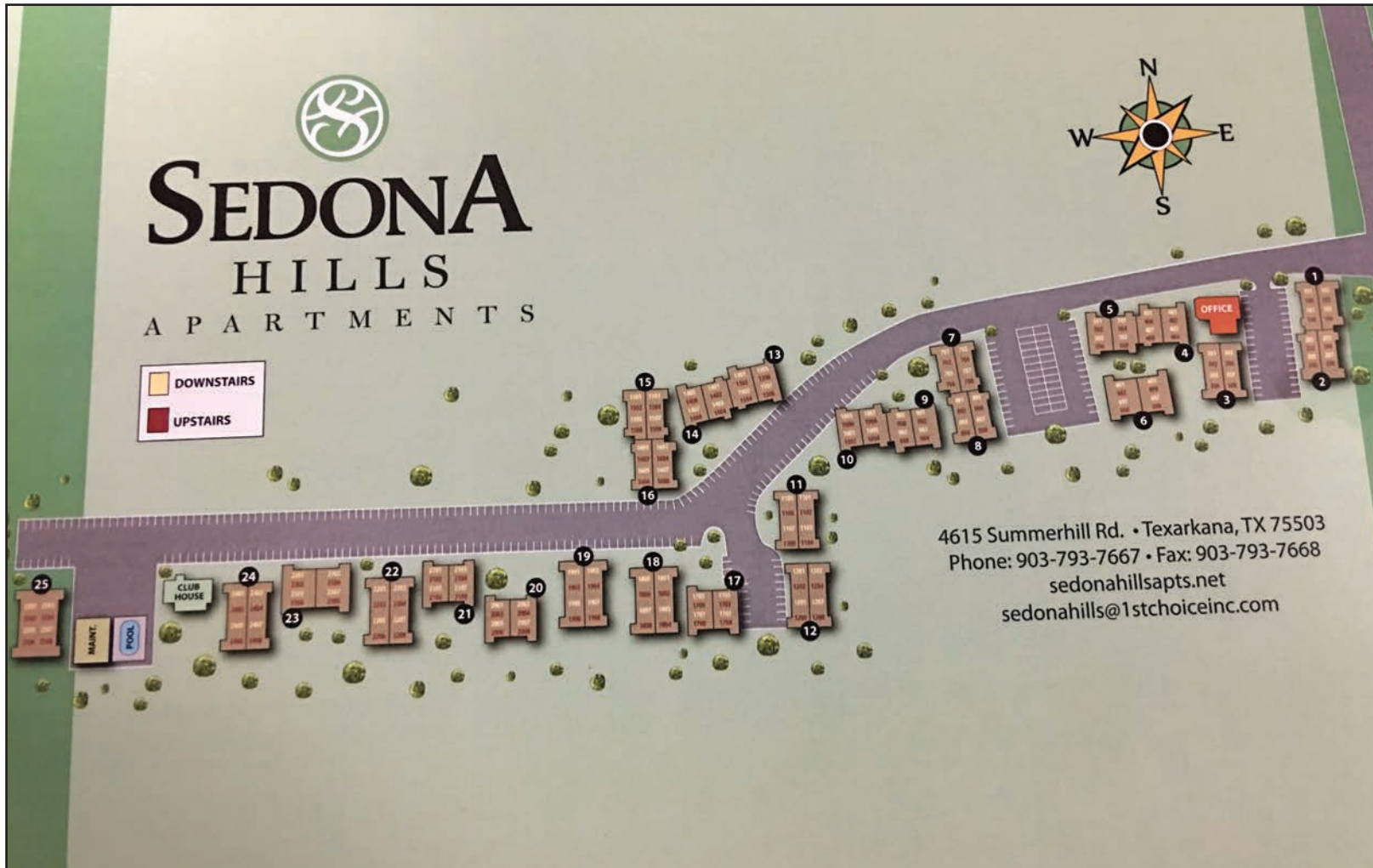
3 BED - 2 BATH - 1,360 SQ FT

AERIAL VIEW - SEDONA HILLS



AERIAL VIEW

SITE PLAN - SEDONA HILLS



SEDONA HILLS AMENITIES

Unit Amenities

- Refrigerator
- Electric Range and Stove
- Built in Dishwasher
- Garbage Disposal
- Central Heat and Air
- Washer/Dryer in Select Units
- Ceiling Fans
- Security Alarm Available



Community Amenities:

- Fitness Center
- 24 Hour Emergency Service
- Laundry Facilities
- Swimming Pool
- Large Clubhouse w/Kitchen
- Pet Friendly
- Monthly Newsletter
- Plentiful Parking
- Centrally Located
- On-site Management



PINES AT RICHMOND

1915 Richmond Road, Texarkana, TX 75503

Property Highlights:

- Units: 60
- Year Built: 1983
- Total Square Feet: 64,152
- Average Square Feet: App. 1069
- Parking Spaces: Approximately 150
- Type of Building: Two Story Garden Style

This quality community offers residents four different floor plans averaging 1069 square feet, consisting of 2 bedroom/1 bath units, 2 bedroom/1.5 bath units, and 2 bedroom/2 bath units. The two-story garden style buildings are constructed of mostly stucco siding with metal pitched roofs. Wiring at Pines at Richmond is copper and aluminum and plumbing is Copper and Cast Iron. 44 units have washer dryer connections. Water is paid by the property with an flat rate allocation to tenants for reimbursement, with electricity, trash and pest control paid by the tenants.

Unit Mix:

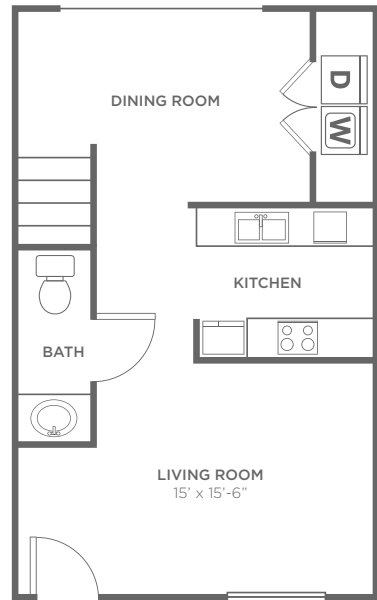
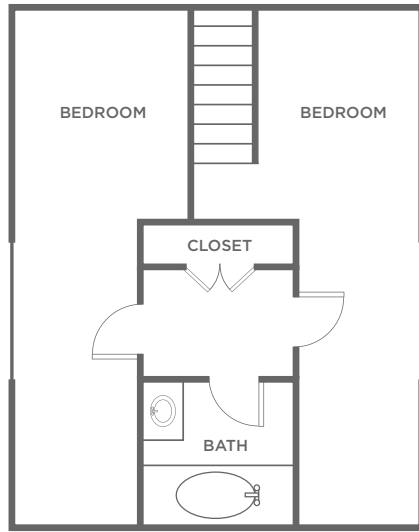
Name	Type	Unit #	Market Rent	Square Footage	Price/SF
A2TH	2 Bedroom/ 1.5 Bath	8	\$645	1,066	\$.61
B2TH	2 Bedroom/ 1.5 Bath	24	\$659	1,184	\$.56
C22	2 Bedroom/ 2 Bath	8	\$665	1,005	\$.66
D22	2 Bedroom/ 2 Bath	4	\$659	929	\$.71
E21	2 Bedroom/ 1 Bath	4	\$630	929	\$.68
F21.5	2 Bedroom/ 2 Bath	4	\$640	978	\$.65
G22	2 Bedroom/ 2 Bath	8	\$750	978	\$.77

PINES AT RICHMOND FLOOR PLANS:



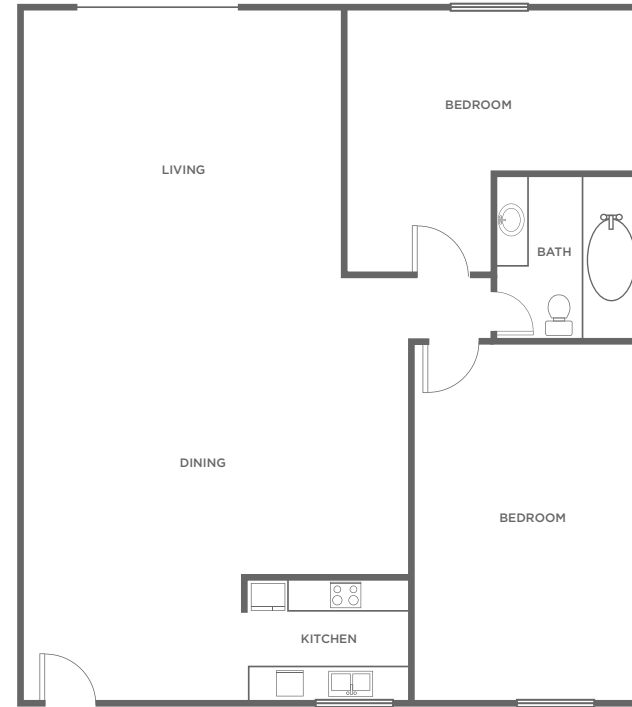
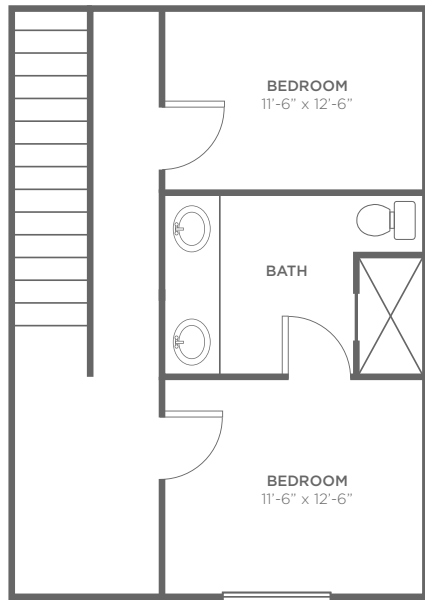
2 BED - 1.5 BATH - 1000 SQ FT

A2 Townhome



2 BED - 1.5 BATH - 1100 SQ FT

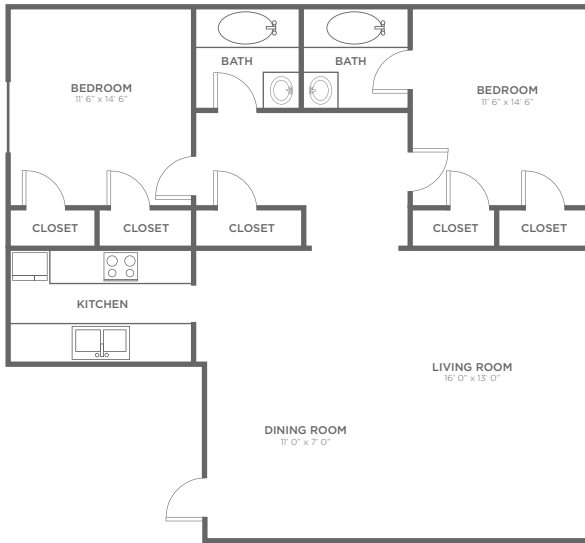
B2 Townhome



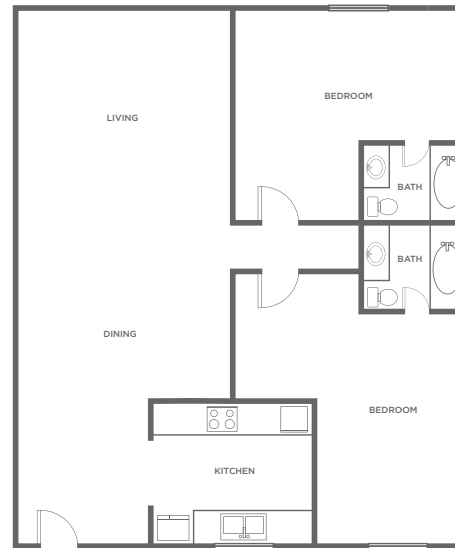
2 BED - 1 BATH - 929 SQ FT

E21

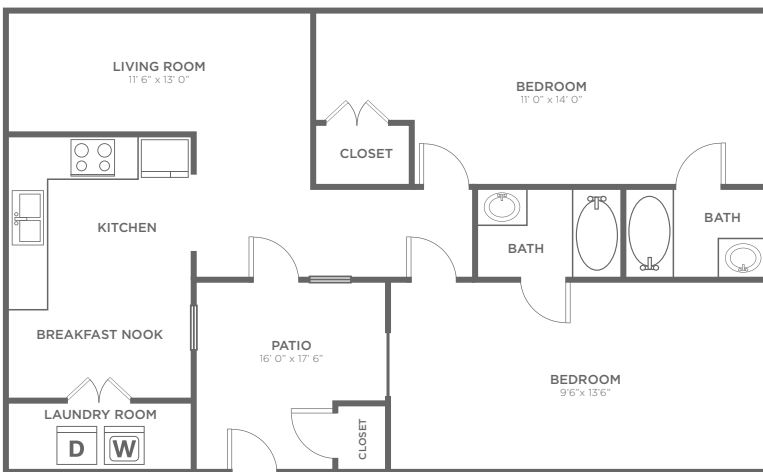
PINES AT RICHMOND FLOOR PLANS:



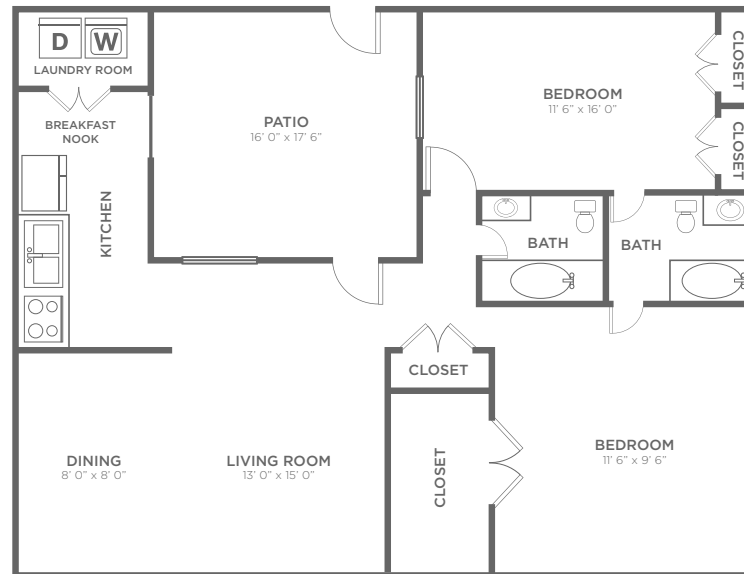
2 BED - 2 BATH - 990 SQ FT (C22)



2 BED - 2 BATH - 990 SQ FT (D22)



2 BED - 2 BATH - 1080 SQ FT (F2.15)



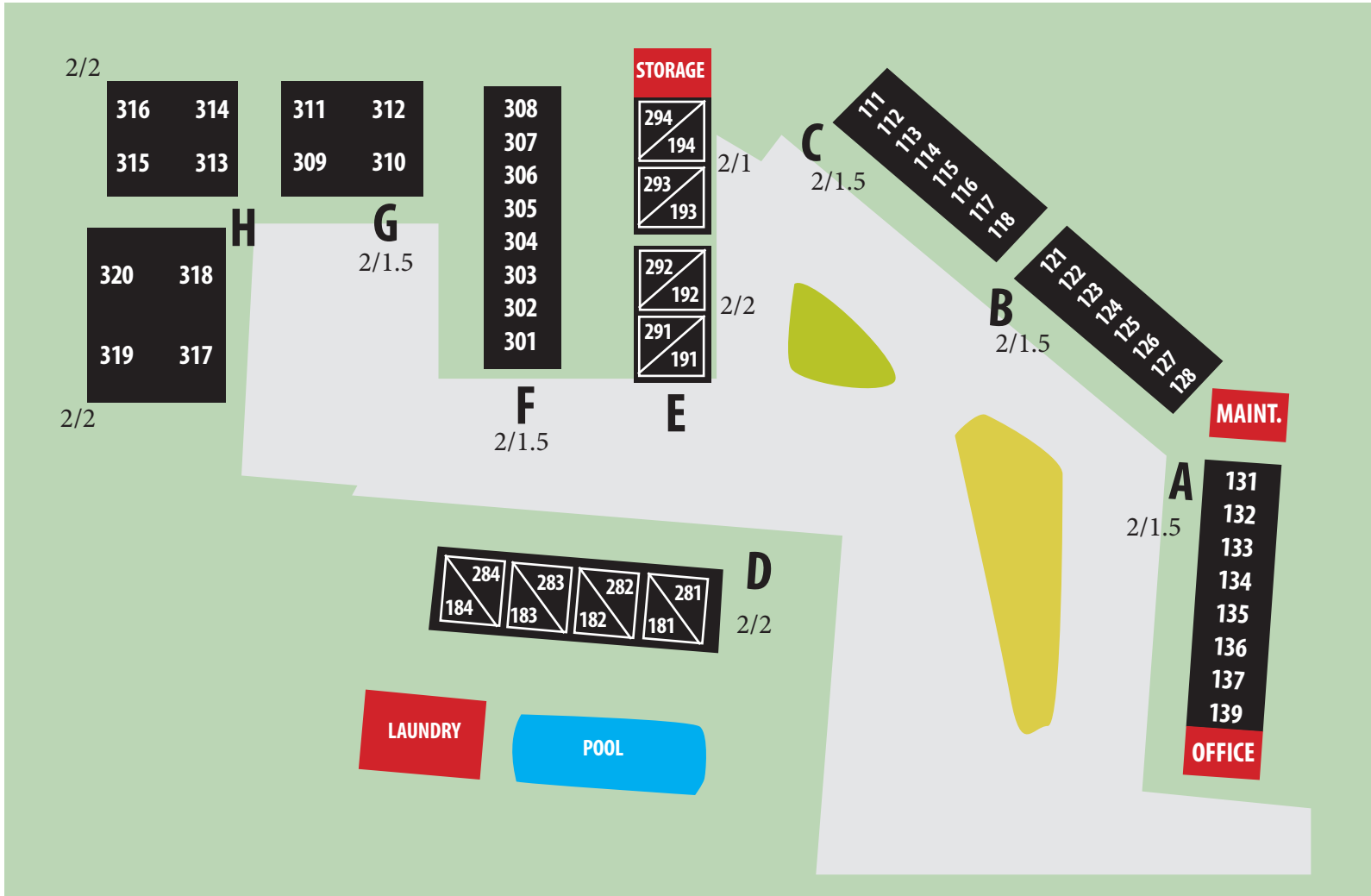
2 BED - 2 BATH - 1080 SQ FT (G22)

AERIAL VIEW: PINES AT RICHMOND



AERIAL VIEW

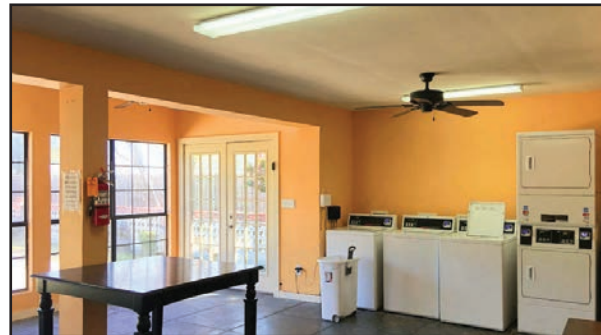
SITE PLAN: PINES AT RICHMOND



PINES AT RICHMOND AMENITIES

Unit Amenities

- Refrigerator
- Electric Range and Stove
- Dishwasher/Garbage Disposal
- Outside Storage
- Central Heat and Air
- W/D Connections in select units
- Ceiling Fans
- Enclosed Private Patios



Community Amenities:

- Swimming Pool
- Central Location
- Pet Friendly
- Laundry Room
- Plentiful Parking
- On-site Management
- 24 Hour Emergency Service

COMPARABLE PROPERTIES - RENTAL



SUBJECT: Sedona Hills
4615 Summerhill Road
Texarkana, TX 75503

Units: 192
Built: 1976
Occupancy: 87.5%
Avg. SF: 815
Avg Rent: \$645
Avg Rent / SF: \$0.79



SUBJECT: Pines Richmond
1915 Richmond Road
Texarkana, TX 75503

Units: 60
Built: 1983
Occupancy: 87%
Avg. SF: 1069
Avg Rent: \$667
Avg Rent / SF: \$0.63



1 Summerhill Woods
4501 Summerhill Road
Texarkana, TX 75503

Units: 176
Built: 1985
Occupancy: 98%
Avg. SF: 753
Avg Rent: \$605
Avg Rent / SF: \$0.80



2 Park at Summerhill
5201 Summerhill Road
Texarkana, TX 75503

Units: 184
Built: 1984
Occupancy: 93%
Avg. SF: 758
Avg Rent: \$743
Avg Rent / SF: \$0.98



3 Richmond Oaks
2815 Richmond Road
Texarkana, TX 75503

Units: 120
Built: 1985
Occupancy: 97%
Avg. SF: 830
Avg Rent: \$601
Avg Rent / SF: \$0.72



4 Westridge
700 Sowell Lane
Texarkana, TX 75501

Units: 176
Built: 1984
Occupancy: 87%
Avg. SF: 870
Avg Rent: \$691
Avg Rent / SF: \$0.79



5 Forest Point
2605 Kennedy Lane
Texarkana, TX 75503

Units: 104
Built: 1975
Occupancy: 94%
Avg. SF: 925
Avg Rent: \$659
Avg Rent / SF: \$0.71

COMPARABLE PROPERTIES - RENTALS



1 Summerhill Apartments
4501 Summerhill Road
Texarkana, TX 75503

2 Park at Summerhill
5301 Summerhill Road
Texarkana, TX 75503

3 Richmond Oaks
2815 Richmond Road
Texarkana, TX 75503

4 Westridge
700 Sowell Lane
Texarkana, TX 75501

5 Forest Point
2605 Kennedy Lane
Texarkana, TX 75503

FINANCIALS - PROFORMA SEDONA HILLS

Cash Flow Variables

	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Rent Bumps/Escalation	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Escalation for Expenses		1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Taxes on Property		0.00%	25.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Vacancy Rate	15.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Other Income Growth Rate		2.00%	2.00%	2.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

10 year Cash Flow Projections

Acquisition	EOY1	EOY2	EOY3	EOY4	EOY5	EOY6	EOY7	EOY8	EOY9	EOY10
Income										
Scheduled Market Rent	\$1,502,580	\$1,517,606	\$1,532,782	\$1,548,110	\$1,563,591	\$1,579,227	\$1,595,019	\$1,610,969	\$1,627,079	\$1,643,350
Less: Vacancy Loss	(\$225,387)	(\$182,113)	(\$183,934)	(\$185,773)	(\$187,631)	(\$189,507)	(\$191,402)	(\$193,316)	(\$195,249)	(\$197,202)
Net Rental Income	\$1,277,193	\$1,335,493	\$1,348,848	\$1,362,337	\$1,375,960	\$1,389,719	\$1,403,617	\$1,417,653	\$1,431,829	\$1,446,148
Plus: Fee Income	\$45,000	\$45,900	\$46,818	\$47,754	\$48,232	\$48,714	\$49,201	\$49,693	\$50,190	\$50,692
Plus: Other Income	\$60,000	\$61,200	\$62,424	\$63,672	\$64,309	\$64,952	\$65,602	\$66,258	\$66,920	\$67,590
Total Operating Income	\$1,382,193	\$1,442,593	\$1,458,090	\$1,473,763	\$1,488,501	\$1,503,386	\$1,518,420	\$1,533,604	\$1,548,940	\$1,564,429
Operating										
Administrative	\$ 25,000	\$ 25,250	\$ 25,503	\$ 25,758	\$ 26,015	\$ 26,275	\$ 26,538	\$ 26,803	\$ 27,071	\$ 27,342
Marketing	\$ 12,000	\$ 12,120	\$ 12,241	\$ 12,364	\$ 12,487	\$ 12,612	\$ 12,738	\$ 12,866	\$ 12,994	\$ 13,124
Payroll	\$ 250,000	\$ 252,500	\$ 255,025	\$ 257,575	\$ 260,151	\$ 262,753	\$ 265,380	\$ 268,034	\$ 270,714	\$ 273,421
Building/Maintenance Expense/Common Are	\$ 110,000	\$ 111,100	\$ 112,211	\$ 113,333	\$ 114,466	\$ 115,611	\$ 116,767	\$ 117,935	\$ 119,114	\$ 120,305
Management Fee	\$ 42,000	\$ 42,420	\$ 42,844	\$ 43,273	\$ 43,705	\$ 44,142	\$ 44,584	\$ 45,030	\$ 45,480	\$ 45,935
Utilities - Water/Electricity	\$ 95,000	\$ 95,950	\$ 96,910	\$ 97,879	\$ 98,857	\$ 99,846	\$ 100,844	\$ 101,853	\$ 102,871	\$ 103,900
Real Estate Taxes	\$ 118,000	\$ 118,000	\$ 147,500	\$ 147,500	\$ 147,500	\$ 147,500	\$ 147,500	\$ 147,500	\$ 147,500	\$ 147,500
Insurance	\$ 50,000	\$ 50,500	\$ 51,005	\$ 51,515	\$ 52,030	\$ 52,551	\$ 53,076	\$ 53,607	\$ 54,143	\$ 54,684
Reserves	\$ 60,000	\$ 60,600	\$ 61,200	\$ 61,800	\$ 62,400	\$ 63,000	\$ 63,600	\$ 64,200	\$ 64,800	\$ 65,400
Total Expenses	\$ 762,000	\$ 768,440	\$ 804,438	\$ 810,996	\$ 817,613	\$ 824,290	\$ 831,028	\$ 837,827	\$ 844,688	\$ 851,612
NET OPERATING INCOME	\$ 620,193	\$ 674,153	\$ 653,652	\$ 662,768	\$ 670,888	\$ 679,096	\$ 687,392	\$ 695,777	\$ 704,252	\$ 712,817

FINANCIALS - PROFORMA PINES AT RICHMOND

Cash Flow Variables										
	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Rent Bumps/Escalation	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Escalation for Expenses		1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Taxes on Property		1.00%	20.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Vacancy Rate	15.00%	12.00%	12.00%	12.00%	12.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Other Income Growth Rate		2.00%	2.00%	2.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

10 year Cash Flow Projections

Acquisition	EOY1	EOY2	EOY3	EOY4	EOY5	EOY6	EOY7	EOY8	EOY9	EOY10
Income										
Scheduled Market Rent	\$589,200	\$595,092	\$601,043	\$607,053	\$613,124	\$619,255	\$625,448	\$631,702	\$638,019	\$644,399
Less: Vacancy Loss	(\$88,380)	(\$71,411)	(\$72,125)	(\$72,846)	(\$73,575)	(\$61,926)	(\$62,545)	(\$63,170)	(\$63,802)	(\$64,440)
Net Rental Income	\$500,820	\$523,681	\$528,918	\$534,207	\$539,549	\$557,330	\$562,903	\$568,532	\$574,217	\$579,959
Plus: Fee Income	\$15,000	\$15,300	\$15,606	\$15,918	\$16,077	\$16,238	\$16,400	\$16,564	\$16,730	\$16,897
Plus: Other Income	\$20,000	\$20,400	\$20,808	\$21,224	\$21,436	\$21,651	\$21,867	\$22,086	\$22,307	\$22,530
Total Operating Income	\$535,820	\$559,381	\$565,332	\$571,349	\$577,063	\$595,218	\$601,171	\$607,182	\$613,254	\$619,387
Operating										
Administrative	\$ 11,500	\$ 11,615	\$ 11,731	\$ 11,848	\$ 11,967	\$ 12,087	\$ 12,207	\$ 12,330	\$ 12,453	\$ 12,577
Marketing	\$ 5,000	\$ 5,050	\$ 5,101	\$ 5,152	\$ 5,203	\$ 5,255	\$ 5,308	\$ 5,361	\$ 5,414	\$ 5,468
Payroll	\$ 102,000	\$ 103,020	\$ 104,050	\$ 105,091	\$ 106,142	\$ 107,203	\$ 108,275	\$ 109,358	\$ 110,451	\$ 111,556
Building/Maintenance Expense/Common Are	\$ 46,000	\$ 46,460	\$ 46,925	\$ 47,394	\$ 47,868	\$ 48,346	\$ 48,830	\$ 49,318	\$ 49,811	\$ 50,310
Management Fee	\$ 17,000	\$ 17,170	\$ 17,342	\$ 17,515	\$ 17,690	\$ 17,867	\$ 18,046	\$ 18,226	\$ 18,409	\$ 18,593
Utilities - Water/Electricity	\$ 43,000	\$ 43,430	\$ 43,864	\$ 44,303	\$ 44,746	\$ 45,193	\$ 45,645	\$ 46,102	\$ 46,563	\$ 47,028
Real Estate Taxes	\$ 50,000	\$ 50,500	\$ 60,600	\$ 61,206	\$ 61,818	\$ 62,436	\$ 63,061	\$ 63,691	\$ 64,328	\$ 64,971
Insurance	\$ 20,000	\$ 20,200	\$ 20,402	\$ 20,606	\$ 20,812	\$ 21,020	\$ 21,230	\$ 21,443	\$ 21,657	\$ 21,874
Reserves	\$ 18,000	\$ 18,180	\$ 18,360	\$ 18,540	\$ 18,720	\$ 18,900	\$ 19,080	\$ 19,260	\$ 19,440	\$ 19,620
Total Expenses	\$ 312,500	\$ 315,625	\$ 328,374	\$ 331,655	\$ 334,966	\$ 338,308	\$ 341,682	\$ 345,088	\$ 348,527	\$ 351,997
NET OPERATING INCOME	\$ 223,320	\$ 243,756	\$ 236,957	\$ 239,695	\$ 242,097	\$ 256,910	\$ 259,488	\$ 262,094	\$ 264,728	\$ 267,389

Important Information/Disclaimer: The information obtained herein is assumed to be correct and market supported. Output produced from this model should not be considered an appraisal. Projections are forecasts and are not to be considered fact. The information contained in this file is privileged and confidential: it is intended only for use by Vintage Realty, VRC Texas Realty, and their clients. This file may not be reproduced physically or in electronic format without the written consent of Vintage Realty Company. 3/2019

FINANCIALS - NOTES TO PROFORMAS

Income Assumptions:

SCHEDULED MARKET RENT: This analysis took the highest monthly GPR and annualized it.

LESS VACANCY LOSS: Studying the trailing 12 history of both properties and the sub markets they are in, we project a 15% vacancy initially for both properties but expect occupancy to increase over the course of the 10 year analysis. These estimates are in line with historical trends for the property and consistent with the market averages.

FEE INCOME: Includes all income related to lease charges, including cable and damage fees, forfeited deposits, late charges, month-to-month fees, notice fees and NSF fees.

OTHER INCOME: Includes pet rent, vending income, and other miscellaneous income. Also includes RUBS income for water.

Expense Assumptions:

All expense assumptions are a result of the past twelve months operating history of the property coupled with a detailed look at both the market averages and similar garden style communities in the region with a 1% increase annually to account for inflation and historical sub market growth, with some exceptions noted below:

ADMINISTRATIVE: Includes all office expenses, legal, eviction, and bad debt.

RENTING: Includes advertising, marketing and promotional, renters insurance, and RUBS billing fees.

PAYROLL: Manager, leasing, and maintenance salaries are included, as well as payroll, overtime and benefits.

BUILDING/MAINTENANCE EXPENSE/Common Area:

A combination of repairs and maintenance, contract services, maintenance supplies, repairs, and grounds, all taken from trailing 12 months expense statements, as well as comparable properties with similar age and amenities. As current ownership group has consistently made property improvements over their span of ownership, we believe that the maintenance expenses with this property will only increase slightly in the near future.

MANAGEMENT FEE: Management Fee is 3% of Total Operating Income.

UTILITIES: Includes, water and sewer, trash removal, and vacant apartments.

TAXES: Current taxes are fairly consistent with the market comparables, but we have conservatively increased taxes slightly in year 3.

INSURANCE: Owners current rates are consistent with the market averages and similar rates are used in this pro-forma.

RESERVES: \$300 per unit is used for reserves.



COMPARABLE PROPERTIES - SALES



Westridge
700 Sowell Lane, Texarkana, TX 75501

Built:	1984
Units:	176
Price/Unit:	\$46,875
Sold For (approx):	\$8,250,000
Closed:	2015
Cap Rate:	7.5%



Villages of Williamsburg
3215 Knight Street, Shreveport, LA 71105

Built:	1974
Units:	194
Price/Unit:	\$54,123
Sold For:	\$10,500,000
Closed:	2018
Cap Rate:	7.5%



Park at Summerhill
5201 Summerhill Road, Texarkana, TX 75503

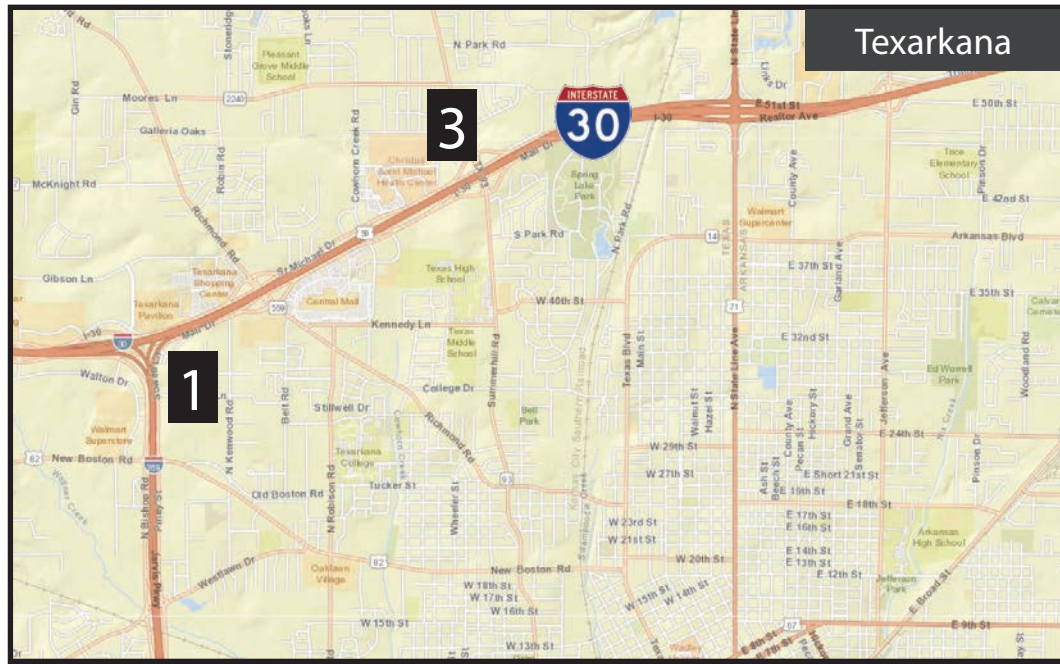
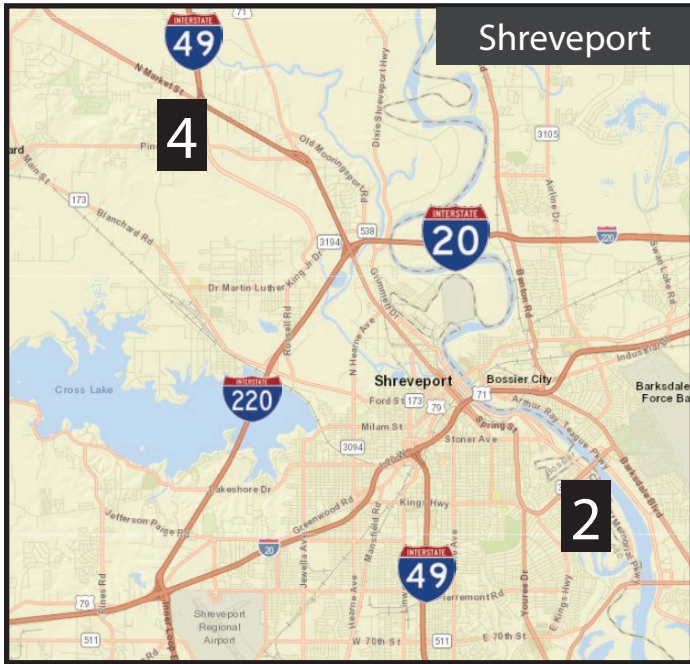
Built:	1984
Units:	184
Price/Unit:	\$47,282
Sold For (Approx):	\$8,700,000
Closed:	2015
Cap Rate:	7.25%



Grand Oaks
1601 North Forty Loop, Shreveport, LA 71107

Built:	1988
Units:	73
Price/Unit:	\$45,205
Sold For:	\$3,300,000
Closed:	2018
Cap Rate:	7%

COMPARABLE PROPERTIES - SALES



1 *Westridge*
700 Sowell Lane
Texarkana, TX

2 *Villages of Williamsburg*
3215 Knight Street
Shreveport, LA

3 *Park at Summerhill*
5201 Summerhill Road
Texarkana, TX

4 *Grand Oaks*
1601 North Forty Loop
Shreveport, LA

MARKETING PROCESS

Property Visits

Prospective Purchasers will have the opportunity to visit the property via pre scheduled property tours. These tours will include access to a sampling of available units and limited access to property personnel. In order to accommodate the ongoing operations, property visitation will take place the week of April 22-26, 2019. No property tours will be allowed under any circumstances without a scheduled appointment and prospective purchasers may not contact the property or visit the property without being accompanied by a representative of Vintage Realty Company or VRC Texas Realty. Call for Offers/Bid Deadline is scheduled for May 8th, 2019.

Offers should be submitted in the form of a non-binding Letter of Intent, complete with all applicable terms including, but not limited to:

- 1) Asset pricing
- 2) Inspection and closing time frame
- 3) Deposit amount
- 4) Description of debt/equity structure
- 5) Any financing contingencies that might exist
- 6) Explanation of which parties pay closing costs

Offers should be delivered to the attention of John Hamilton at the email address or fax number provided herein.

John A. Hamilton | 1-877-806-4791

multifamily@vrctxrealty.com or jhamilton@vintagemultifamily.com



Sedona Hills



Pines at Richmond

VINTAGE REALTY COMPANY - FULL SERVICE COMMERCIAL REAL ESTATE PROVIDER

Vintage Realty is a privately owned, full-service commercial real estate provider, specializing in the leasing, management, development and brokerage of professional office, medical office, industrial, multi-family and retail properties.

Alvin Childs, Jr. and David Alexander are the principal partners of the organization and began Vintage Realty Company in 1988 to meet the demands of the expanding commercial real estate market in Shreveport, Louisiana. In its over 30 year existence, Vintage has established a strong foothold in 8 additional markets.

From property acquisition to property management solutions, we provide a complete line of commercial real estate services. Vintage realizes that an owner's property represents a large investment, therefore Vintage's core belief is to treat all assets the same - as if they were their own. From preparing and following budgets to implementing marketing plans, contract negotiations to closings, Vintage ensures that a property gets the attention it deserves.

The Multi-Family Department was created in 1993 as a response to a client request for development and management of a class A apartment community in Shreveport, LA. Since that initial development, David Alexander has been in charge of the numerous projects totaling 3,811 units throughout Louisiana and Arkansas with another 760 units in the development phase. The current Vintage multi-family portfolio represents a total market value of approximately \$450,000,000. (February 2018) The Multi Family Department at Vintage Realty Company has enjoyed a reputation as one of the most progressive and dynamic apartment development, management and brokerage firms in Louisiana.



 **Established Communities**

 **Under Construction or In Development**

VINTAGE REALTY COMPANY - NOTABLE CLIENTS & MANAGED PROPERTIES

C-III Capital Partners	Bossier Corners Shopping Center	173,614 sq. ft.
Hudson Advisors	Mid-City Plaza South	45,800 sq. ft.
AVR Realty Company	Champion Lake Apartment Homes River Walk Apartment Homes Stockwell Landing Apartment Homes	TOTAL: 705 Units 672,520 sq. ft.
Kennedy Wilson	Village Square Apartment Homes Southern Oaks Apartment Homes RiverScape Apartment Homes	TOTAL: 414 Units 312,000 sq. ft.
Windrush Village Marketplace	Shreveport, Louisiana	17,057 sq. ft.
Shoppes at Bellemead	Shreveport, Louisiana	79,300 sq. ft. (22 Retailers)
The Brookhill Group	Huntington Park Shopping Center Plantation Plaza Shopping Center	59,265 sq. ft. 59,479 sq. ft.
F & A Buckner Square, Ltd.	1800 Buckner Square	53,459 sq. ft.
Anderson Oil & Gas, Inc & Provenance Developing Company	Provenance - A Traditional Neighborhood Development	350+ acres
Beaird Operating Companies, L.L.C. Beaird Properties, L.L.C. Beaird Properties, L.L.C.	Beaird Tower One Texas Center Southpointe Center	182,987 sq. ft. 41,185 sq. ft. 42,951 sq. ft.
Franks Management Company, L.L.C.	Petroleum Square I Petroleum Square II	20,421 sq. ft. 41,205 sq. ft.

Client sample featured. For a comprehensive list, please contact us.



AGENT INFORMATION - JOHN A. HAMILTON



John A. Hamilton is a graduate of Louisiana State University in Shreveport in Business and Administration. After spending his first three years after graduation with a local Shreveport firm, he started Hamilton & Associates Real Estate Companies that specialized in the brokerage and development of all classifications of Multi-Family. John now brings his expertise to Vintage Realty Company to offer the full complement of consulting, development, brokerage, and management to all his Multi-Family clients. John A. Hamilton and Vintage Realty Company are licensed in and operate in Arkansas, Mississippi and Louisiana.

To contact John, call 318-222-2244 or email him at jhamilton@vintagemultifamily.com.

Below are some of the Multi-Family Properties sold by John A. Hamilton in recent years:

- Live Oaks Apartments
- Towne Oaks Apartments
- Chimney Hill Apartments
- Hampton House Apartments
- Grimmitt Drive Apartments
- Park Place Apartments
- Briarwood Apartments
- Camellia Trace Apartments
- Hudson Place Apartments
- Guthrie Creek Apartments
- Kings Manor I Apartments
- Chateau Normady
- Kings Manor II Apartments
- Parc at Ridgeland Apartments
- Villa Norte Apartments
- Brandywine Apartments
- Pines Apartments
- Towers Apartments
- Briarwood Apartments
- Laurel Park Apartments
- Orleans Square Apartments
- Stone Canyon Apartments
- Southern Oaks Apartments
- Northwood Lake Apartments
- North Forty Estates
- River Oaks Apartments
- Bayou Rouge Apartments
- Brighton Manor Apartments
- Centrum Apartments
- Cordova Apartments
- Country Club Marina Apartments
- Colony Square Apartments
- Northgate Apartments
- Quail Creek Apartments
- Shirewood Apartments
- Southport Apartments
- Tiffany Square Apartments
- Woodlawn Terrace Apartments

AGENT INFORMATION - LUKE NICHOLLS



Luke is licensed Commercial Real Estate Agent focusing on Multi-Family Brokerage and Development at Vintage Realty Company in Shreveport, Louisiana. He partners with John Hamilton to form a multi-family brokerage team that can provide a wide range of services to multi-family clients in Louisiana, Mississippi, Texas, and Arkansas.

Luke has been working in the commercial real estate market since 2014, and has experience in asset management, budgeting, real estate valuations, and brokerage.

Luke holds a Bachelor's of Science in Accounting from Louisiana State University-Shreveport. In addition, Luke studied International economics, business relations, and business law in Luneburg, Germany at Leuphana Universitat.

To contact Luke, email lnicholls@vintagemultifamily.com or call 318-222-2244 x 686.



For additional information, please contact the agent at this toll free number: 1-877-806-4791



Nancy Lassuzzo

VRC Texas Realty, LLC

nlassuzzo@vintagerealty.com

888-989-2112

2615 East End Blvd., Suite 245, Marshall, TX 75652

Licensed by the TX Real Estate Commission



John A. Hamilton

jhamilton@vintagemultifamily.com | 318-222-2244

Luke Nicholls

lnicholls@vintagemultifamily.com | 318-222-2244

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