

LITTLE ROCK SFR PORTFOLIO

Little Rock, AR

OFFERING MEMORANDUM



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SUBMISSIONS

OFFERING PROCEDURE

Offers will be responded to upon receipt. Any initial offer should be submitted in the form of a non-binding letter dictating specific terms, including (1) purchase price, (2) amount of earnest money, (3) length of due diligence and (4) financing timeframe. Additionally, all offers must be accompanied with the purchasers' qualifications to close the transactions.

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DISCLAIMER/CONFIDENTIALITY STATEMENT

The material contained in the offering memorandum is confidential, furnished solely for the purpose of considering the acquisition of the property described herein, and is not to be used for any other purpose or made available to any other person without the express written consent of SVN Oak Realty Advisors. The information contained herein has been obtained from sources that we deem to be reliable, and we have no reason to doubt its accuracy. However, neither the seller, broker or any related entity make any warranty or representation, expressed or implied, as to the accuracy or completeness of the information contained herein, included but not limited to, financial information and projections, and any engineering and environmental information. Prospective purchasers should make their own investigations, projections and conclusions. It is expected that prospective purchasers will conduct their own independent due diligence concerning the property, including such engineering inspections as they deem necessary to determine the condition of the property and the existence or absence of any potential hazardous materials used in the construction or maintenance of the buildings or located at the land site, included but not limited to, lead-based products (for compliance with "target housing" regulation for multifamily housing constructed prior to 1978), asbestos, etc. Broker represents seller in this transaction and makes no representations, expressed or implied, as to the foregoing matters.

Little Rock SFR Portfolio



EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

SVN Oak Realty Advisors is pleased to present the exclusive offering of the Little Rock SFR Portfolio, a five-home stabilized single-family rental community located in Little Rock, Arkansas. This boutique portfolio features a highly desirable mix of four-bedroom, two-bathroom layouts, offering a high-quality living environment for the area's growing family demographic. Ideally positioned near major medical and corporate employment hubs, including Arkansas Children's Hospital and UAMS, the property benefits from scarce product supply and durable occupancy, making it a compelling opportunity for core-focused investors.

Currently stabilized, the Little Rock SFR Portfolio provides consistent cash flow driven by a sharply tapering local construction pipeline. The property offers uniform 1,138-square-foot units featuring granite countertops, walk-in closets, low-maintenance brick exteriors, and fenced backyards—amenities that support long-term tenancy and strong renter retention. Four-bedroom homes account for just 3% of the total rental inventory in Little Rock, creating a severe scarcity for this specific product type. This mismatch between high family renter demand and limited supply guarantees robust tenant retention and minimizes ongoing turnover costs.

Offered at a purchase price of \$1,000,000, the portfolio reflects a 6.60% acquisition cap rate based on a projected Year 1 Net Operating Income of \$65,970. With starting monthly rents of \$1,595 per unit, the investment projects a 13.70% levered internal rate of return over a five-year hold. The property's central location near downtown Little Rock, combined with a dramatic 73% decline in new market supply, continues to drive leasing velocity and long-term renter demand.

\$1,000,000

PURCHASE PRICE

5

TOTAL UNITS

\$200,000

PRICE PER UNIT

6.60%

ACQUISITION CAP RATE

\$65,970

YEAR 1 NOI

PORTFOLIO DETAILS

Portfolio Details

Property Name	Little Rock SFR
Location	Little Rock, Arkansas
Number of Units	5
Unit Type	4BR / 4BTH
Unit Size (Sq Ft)	1138
Total Size (Sq Ft)	5690
Fiscal Year Start	May 2026



INVESTMENT HIGHLIGHTS



SCARCE & IN-DEMAND UNIT MIX

Four-bedroom units account for only 3% of Little Rock's rental inventory, creating severe scarcity. With 42% of rentals occupied by families, this 5-unit portfolio guarantees strong tenant retention and minimizes turnover costs.



STRATEGIC LOCATION & ACCESS

Located near I-30 and I-40, the property offers proximity to major economic drivers. It sits just 2.4 miles from Arkansas Children's Hospital, 3.4 miles from UAMS, and 4.5 miles from Dassault Falcon Jet. This strategic position provides residents with short commutes to thousands of jobs in the medical, aerospace, and logistics sectors.



EFFICIENT & LOW-MAINTENANCE ASSET

Each home features a uniform 1,138 SF layout, optimizing ongoing property management. The durable exterior brick fronts and fenced backyards provide a low-maintenance asset, while the smaller footprint minimizes heating and cooling loads.



STABILIZED CORE INVESTMENT

Offered at \$1M, the portfolio yields a 6.60% cap rate on a projected Year 1 NOI of \$65,970. This stabilized asset delivers immediate cash flow, with a 5-year pro forma projecting a 13.70% IRR.



FAVORABLE MARKET DYNAMICS

The submarket is stabilizing as new construction tapers. 2025 completions total 354 units, a 73% decline from the 10-year average. This reduction in supply allows the market to absorb existing inventory without oversupply.

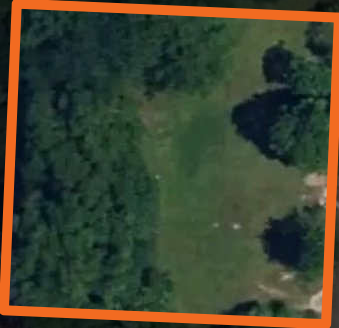


ROBUST LOCAL JOB GROWTH

A \$371M expansion at Arkansas Children's Hospital and a \$100M investment by Dassault Falcon Jet will create hundreds of jobs. These developments drive sustained rental demand in the area.



1718
SOUTH BROWN STREET
LITTLE ROCK, AR



S Brown St

W 18th St

W 18th St

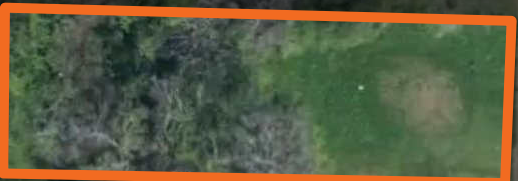
Hanger St

Geyer St

1312

GEYER STREET

LITTLE ROCK, AR



2220

MAPLE RIDGE ROAD

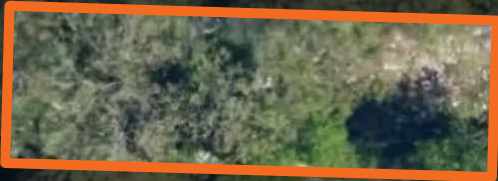
LITTLE ROCK, AR

Maple Ridge Rd





800
WASHINGTON STREET
LITTLE ROCK, AR



9th St

Malloy St

0th St

Ludwig St

2916

LUDWIG STREET

LITTLE ROCK, AR







Little Rock SFR Portfolio



FINANCIAL ANALYSIS

ASSUMPTIONS

PROPERTY DETAILS

Property Name	Little Rock SFR
Location	Little Rock, Arkansas
Number of Units	5
Unit Type	4BR / 4BTH
Unit Size (Sq Ft)	1,138
Total Size (Sq Ft)	5,690
Fiscal Year Start	May 2026

ACQUISITION & FINANCING

Purchase Price	\$1,000,000
Acquisition Costs	\$20,000
Loan Amount (1st Lien)	\$650,000
Loan Fees / Points	\$6,500
Initial Equity Investment	\$376,500
Interest Rate (30/360)	5.75%
Amortization Period (Years)	30
Loan Term (Years)	5
Loan Fee Points %	1.00%
Monthly Payment	\$3,793
Annual Debt Service	\$45,519

INCOME ASSUMPTIONS

Monthly Rent per Unit (\$)	\$1,595
Monthly Rate per Sq Ft (\$)	\$1.40
Year 1 Potential Rental Income	\$95,700
Vacancy / Credit Loss %	1.50%
Annual Income Growth Rate	3.00%
Other Income (Year 1)	\$500
Other Income Growth Rate	3.00%

EXPENSE ASSUMPTIONS (Year 1)

Real Estate Taxes	\$10,840
Property Insurance	\$3,840
Property Management	\$6,700
Repairs & Maintenance	\$7,415
Total Operating Expenses	\$28,795
Annual Expense Growth	N/A

DISPOSITION ASSUMPTIONS

Acquisition CAP Rate	6.60%
Sale CAP Rate (EOY 5)	6.50%
Projected Sales Price (EOY5)	\$1,216,000
Cost of Sale %	5.00%
Cost of Sale (\$)	\$79,040

INVESTMENT PERFORMANCE

KEY INVESTMENT METRICS

Purchase Price	\$1,000,000
Initial Equity Investment	\$376,500
Acquisition CAP Rate	6.60%
Year 1 Cash-on-Cash Return	5.43%
5-Year IRR (Equity)	13.70%
Property IRR (Unleveraged)	9.13%
Effective Loan Rate	5.95%
Leverage Benefit	+4.57% (positive leverage)
Gross Rent Multiplier	10.45x
Price Per Unit	\$200,000
Price Per Sq Ft	\$175.75
Loan-to-Value	65.00%
Year 1 DSCR	1.45x
Projected Sale Price (EOY5)	\$1,216,000
Sales Proceeds Before Tax	\$552,246

ANNUAL PERFORMANCE METRICS

Metric	Year 1	Year 2	Year 3	Year 4	Year 5
NOI (\$)	\$65,970	\$68,418	\$70,945	\$73,551	\$76,240
Cash Flow Before Tax (\$)	\$20,451	\$22,899	\$25,426	\$28,032	\$30,721
Cash-on-Cash Return	5.43%	6.08%	6.75%	7.45%	8.16%
Return on Equity	5.70%	5.67%	5.63%	5.60%	5.56%
Equity Multiple	1.01x	1.19x	1.38x	1.59x	1.81x
DSCR	1.45x	1.50x	1.56x	1.62x	1.67x
Loan Balance (\$)	\$641,638	\$632,783	\$623,405	\$613,473	\$602,954
LTV %	60.93%	58.00%	55.07%	52.30%	49.59%
Equity IRR (cumulative)	0.71%	9.19%	11.98%	13.12%	13.70%

SALES PROCEEDS (EOY 5)

Projected Sales Price	\$1,216,000
Less: Cost of Sale (5%)	\$60,800
Less: Mortgage Balance	\$602,954
Sales Proceeds Before Tax	\$552,246

LEVERAGE IMPACT ANALYSIS

Year of Sale	Property Yield	Loan Cost	Equity IRR	Leverage Impact
Year 1	4.54%	6.78%	0.71%	↓ 3.83%
Year 2	7.36%	6.27%	9.19%	↑ 1.83%
Year 3	8.36%	6.09%	11.98%	↑ 3.62%
Year 4	8.84%	6.01%	13.12%	↑ 4.28%
Year 5	9.13%	5.95%	13.70%	↑ 4.57%

CASHFLOW ANALYSIS

	Year 1 Apr-2027	Year 2 Apr-2028	Year 3 Apr-2029	Year 4 Apr-2030	Year 5 Apr-2031	5-Yr Total
INCOME						
Potential Rental Income (PRI)	\$95,700	\$98,571	\$101,528	\$104,574	\$107,711	\$508,084
Less: Vacancy / Credit Loss	\$1,436	\$1,479	\$1,523	\$1,569	\$1,616	\$7,621
Effective Rental Income (ERI)	\$94,265	\$97,092	\$100,005	\$103,005	\$106,096	\$500,463
Other Income	\$500	\$515	\$530	\$546	\$563	\$2,655
GROSS OPERATING INCOME (GOI)	\$94,765	\$97,607	\$100,536	\$103,552	\$106,658	\$503,118
OPERATING EXPENSES						
Real Estate Taxes	\$10,840	\$10,992	\$11,146	\$11,302	\$11,460	\$55,739
Property Insurance	\$3,840	\$3,894	\$3,948	\$4,004	\$4,060	\$19,745
Property Management	\$6,700	\$6,700	\$6,700	\$6,700	\$6,700	\$33,500
Repairs & Maintenance	\$7,415	\$7,519	\$7,624	\$7,731	\$7,839	\$38,128
TOTAL OPERATING EXPENSES	\$28,795	\$29,104	\$29,418	\$29,736	\$30,059	\$147,112
NET OPERATING INCOME (NOI)	\$65,970	\$68,503	\$71,118	\$73,816	\$76,600	\$356,006
DEBT SERVICE						
Capital Expenses / Replacement Reserves	\$1,250	\$1,313	\$1,378	\$1,447	\$1,519	\$1,595
Annual Debt Service (1st Lien)	\$45,519	\$45,519	\$45,519	\$45,519	\$45,519	\$227,595
CASH FLOW BEFORE TAXES	\$19,201	\$21,672	\$24,221	\$26,850	\$29,561	\$121,504

Little Rock SFR Portfolio



MARKET OVERVIEW

MARKET OVERVIEW

Little Rock, Arkansas, is a dynamic and stabilizing market, presenting a promising opportunity for investors seeking steady returns and long-term growth. The city has garnered attention due to its resilient economy, affordable housing, and sustained renter demand. With a robust demographic base, Little Rock is an attractive destination for single-family rental and multifamily investment.

As of late 2025, the Little Rock rental market continues to experience strong fundamentals, highlighted by an impressive 90.5% occupancy rate and positive net absorption. This stabilization is driven by a sharply tapering construction pipeline. Total completions for 2025 dropped to just 354 units, representing a dramatic 73% decline compared to the historical ten-year average. With only 82 units under active construction, the reduction in supply deliveries allows the market to rapidly absorb existing inventory.

The rental market in Little Rock has shown robust growth, with increasing demand for purpose-built, family-oriented housing. Four-bedroom units account for a mere 3% of the total rental inventory, creating severe scarcity for this specific product type. Consequently, four-bedroom single-family homes command a significant rent premium, leasing between \$1,400 and \$1,800 per month. The submarket's expanding share of single-family rentals provides a solid foundation for sustained demand and exceptional tenant retention.

MARKET HIGHLIGHTS



STRONG LOCAL ECONOMY

Little Rock features a robust local economy anchored by a 3.2% unemployment rate, which outperforms the national average. The area's financial sector recorded a net job gain of 12.8% between 2019 and 2023, providing exceptional economic stability for residents.



MAJOR DEVELOPMENTS

Arkansas Children's Hospital is executing a \$371M expansion just 2.4 miles away, adding a 150,000-SF surgery center by 2026. This massive project ensures long-term job growth and housing demand.



AEROSPACE JOBS

Dassault Falcon Jet is executing a \$100 million investment at the nearby Clinton National Airport, creating 800 new aerospace positions.



STRATEGIC LOGISTICS HUB

Positioned at the crossroads of I-30 and I-40, the area is within a 550-mile radius of 40% of the nation's population, offering residents exceptional regional access.



GROWING METRO AREA

The broader Little Rock metropolitan area is home to 770,000 residents. The downtown core experienced steady population increases driven by density in the Quapaw Quarter and MacArthur Park.



DOWNTOWN AMENITIES

Located 1.5 miles from the River Market District, residents enjoy access to premier dining, entertainment, and the 39-acre Riverfront Park urban green space.

MAJOR EMPLOYERS



HOSPITALS • RESEARCH • FOUNDATION



The Little Rock area is home to a diverse employment base anchored by healthcare, aviation, and logistics—sectors that support consistent rental demand and economic stability. Leading employers such as Arkansas Children's Hospital, Dassault Falcon Jet, and the Port of Little Rock maintain massive workforces, including the Port's 8,000 employees, contributing to a resilient local economy.

The property's location within a 5-mile radius of the medical district and the national airport ensures steady leasing velocity driven by proximity to stable, high-quality jobs. Major medical institutions such as the University of Arkansas for Medical Sciences (UAMS) further bolster the area's employment and housing demand. With large-scale logistics hubs like the Amazon fulfillment center and ongoing expansions at Dassault Falcon Jet, the region benefits from a well-rounded economic foundation. This employer mix provides long-term support for occupancy and rental growth at 1718 South Brown Street.

Employer	Industry	# of Employees	Distance
Arkansas Children's Hospital	Healthcare	4,000	2.4 miles
Amazon Fulfillment Center	Logistics	3,000	9.0 miles
Dassault Falcon Jet	Aerospace	1,395	4.5 miles
Welspun	Manufacturing	1,000	9.0 miles
UAMS	Healthcare	-	3.4 miles
Dillard's Headquarters	Corporate Retail	-	2.2 miles
Windstream Communications	Telecommunications	-	5.0 miles

EMPLOYERS MAP



AMENITIES MAP





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