



North

1510 E Cornell St Lubbock, TX 79403

estrada

South



2502 Weber Dr Lubbock, TX 79404

OFFERING MEMORANDUM ESTRADA PORTFOLIO

*PROPERTIES CAN BE PURCHASED TOGETHER AS A PORTFOLIO OR SEPARATELY



Presented By:

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Offering procedures

- Letter of intent
- Resume and/or business letter indicating assets owned
- Transaction references
- Banking references
- Source of equity for acquisition

Property tours

Prospective investors are encouraged to visit the subject property prior to submitting an offer. Please do not contact the on-site management or staff without prior approval. All property showings are by appointment only. Please contact us for more details.

Sales conditions

Interested prospective investors should be aware that the owner of the property is selling the property in as-is, where-is condition with all faults, if any, and without representations or warranties of any kind of nature, expressed or implied, written or oral.

Communications

All communications, inquiries and requests, including property tours, should be addressed to the listing agent.





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estrada *North*



estrada *South I*



LENDER SALE

Estrada North and Estrada South I were both developed in 2005 as tax credit properties and foreclosed in October 2024, resulting in the removal of their LURAs. Estrada North consists of 140 units, while Estrada South I includes 112 units—both offering a mix of one-, two-, and three-bedroom layouts. The exteriors of both properties were renovated in recent years, but each has several down units due to burst hot water heater pipes in vacant units where heat was not maintained—approximately 45 units at Estrada North and 42 at Estrada South I. Together, these properties present a compelling opportunity to acquire assets at a low basis, complete necessary renovations, and lease up to stabilization, ultimately delivering updated market-rate housing in an underserved and growing area.

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PORTFOLIO INVESTMENT SUMMARY



Estrada North and South I were both constructed in 2005 and collectively comprise 252 units. These lender-owned properties are available for purchase either individually or as a portfolio.



Property Details

	Estrada North 1510 East Cornell St Lubbock, TX	Estrada South I 2502 Weber Lubbock, TX
Number of Units	140	112
Year Built	2005	2005
Total NRA	135,900	108,450
Avg Unit SF	750	750

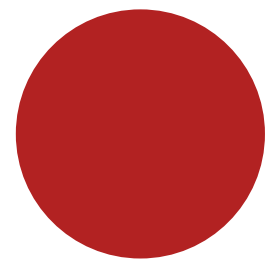
Estrada North sits less than 5 minutes from Estacado High School, Alderson Elementary, Talkington School for Young Women Leaders, Meadowbrook Golf Club, and Loop 289. Estrada South I has easy access to Interstate 27 and Highway 67 / 19th Street, and is 3 minutes to Dunbar College Prep Academy and Mae Simmons Park. Both of these properties are 10 minutes or less to Texas Tech University.



Since 2022, East Lubbock has exploded with new development. Companies like Leprino Foods, Tropicale Foods, and Plant Agriculture Systems are investing over \$1 billion and creating 2,000+ jobs over the next decade.

Learn more at: <https://lubbockeda.org/announcements>





324,067

Population



33.4

Median Age



3.9%

2024
Unemployment
Rate



0.71%

2023-2028
Population: Annual
Growth Rate

HOUSING STATS



\$229,472

Median Home Value



\$64,700

Median Household
Income



2.48

Household Size



44.2%

% Rentals



10.3%

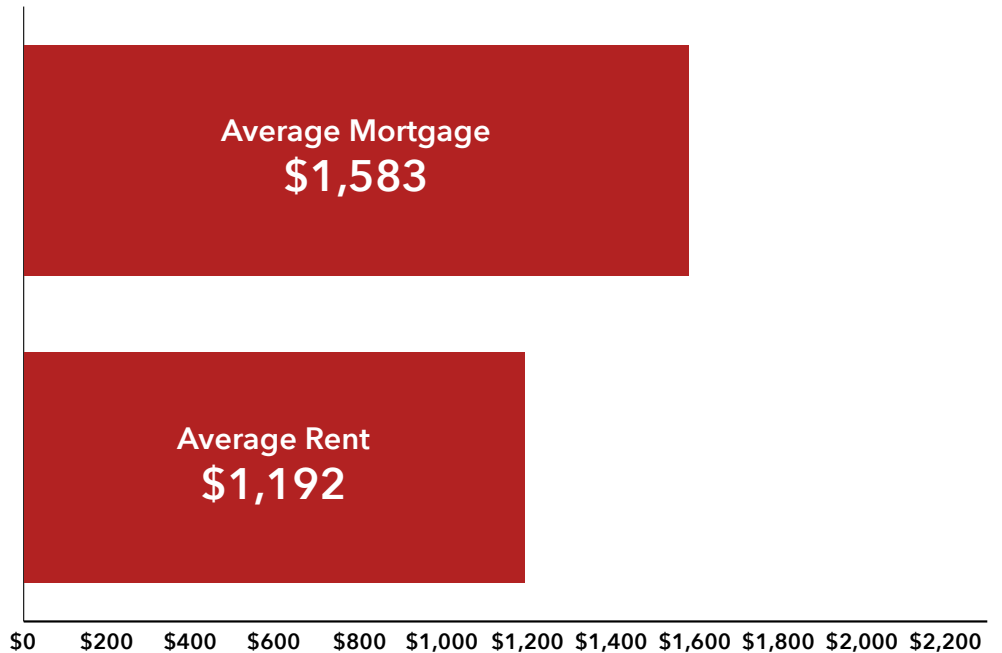
Vacant Housing Units



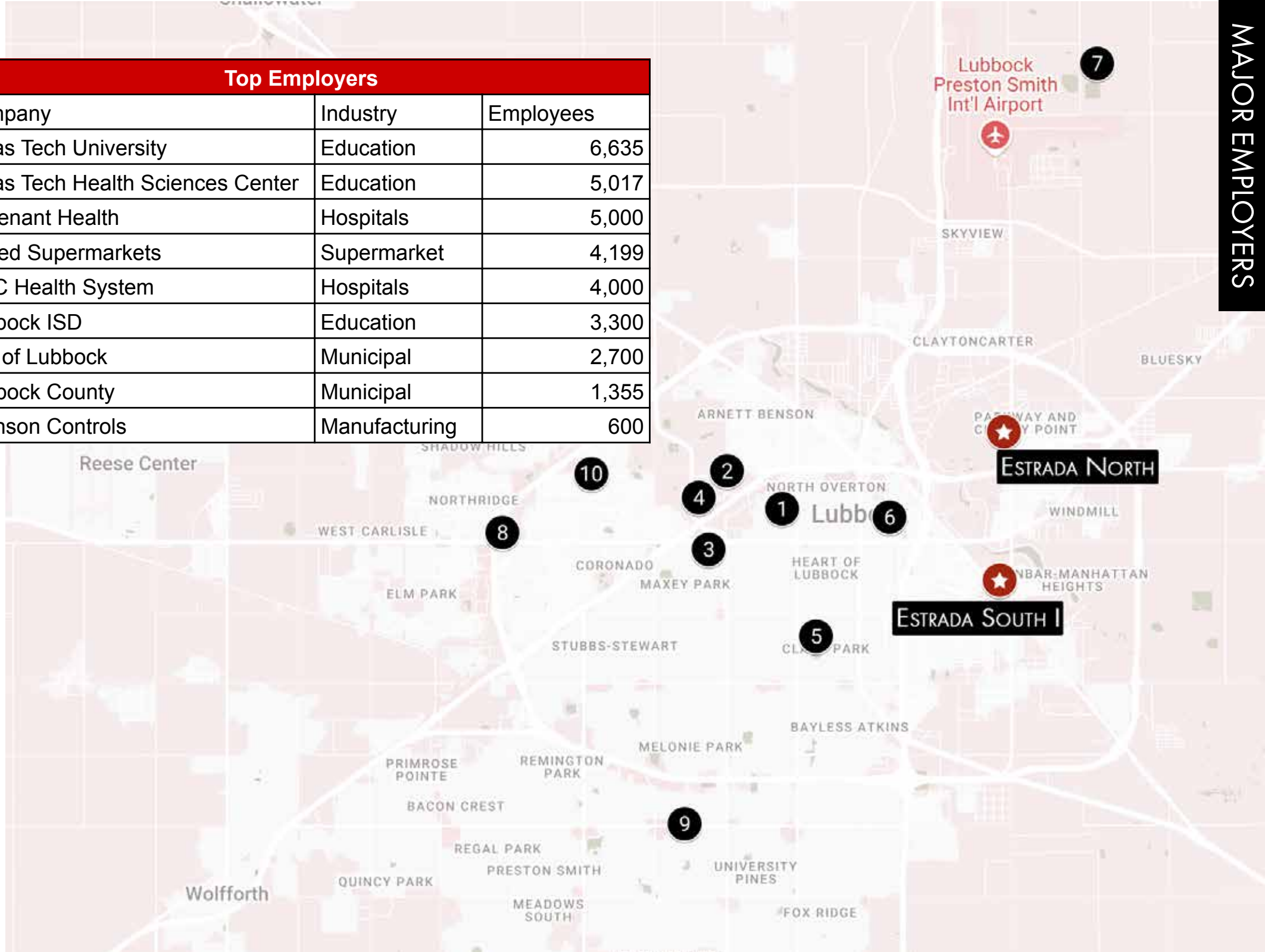
55,740

Rental Unit Demand

Housing Costs



Top Employers			
1	Company	Industry	Employees
2	Texas Tech University	Education	6,635
3	Texas Tech Health Sciences Center	Education	5,017
4	Covenant Health	Hospitals	5,000
5	United Supermarkets	Supermarket	4,199
6	UMC Health System	Hospitals	4,000
7	Lubbock ISD	Education	3,300
8	City of Lubbock	Municipal	2,700
9	Lubbock County	Municipal	1,355
10	Johnson Controls	Manufacturing	600



PROPERTY

Address	1510 East Cornell St
Market	Lubbock
# of Units	140
Year Built	2005
Average Unit Size	750
Net Rentable Area	135,800
# of Stories	2
# of Buildings	10 apartment buildings, office, shop

TAX INFORMATION Lubbock CAD

Parcel ID	R352429
Current Assessed Value (2025)	\$7,348,104
Tax Rate	1.82%
Land Area	11.67 Acres

MECHANICAL

HVAC	Individual HVAC, gas heat
Electricity	Individually Metered
Type of Wiring	Copper
Hot Water	Individual Gas

CONSTRUCTION

Style	Garden
Foundation	Concrete Slab
Framing	Wood
Exterior	Stone, brick, hardi
Roof	Pitched composition
Parking	Concrete

LAUNDRY

Washer/Dryer Connections	In each unit
On-Site Facility	Currently inoperable
Contracted Company	NA
Contract Term Remaining	NA

UTILITIES/PAID BY

Electricity	Individually metered, paid by tenant
Water and Sewer	Paid by owner
Trash	Paid by owner
Gas	Individually metered, paid by tenant
Telephone	Paid by tenant
Cable	Paid by tenant
Internet	Paid by tenant

FEES & DEPOSITS

Application Fee	\$15 per adult
Administrative Fee	\$0
Security Deposit	\$250 1BR, \$350 2BR, \$450 3BR
Non-Refundable Pet Fee	\$300
Refundable Pet Deposit	\$300
Monthly Pet Rent	\$15
Month-to-Month Lease Fee	\$100

PERSONNEL

Management Company	Asset Living
Leasing Office	On-site
Maintenance	2 full time, 1 lead shared

APARTMENT FEATURES

Washer/dryer connections in each unit
Refrigerator, electric stove, microwave, dishwasher
Storage

COMMUNITY AMENITIES

Pool
Business center
Playgrounds
Gazebo
BBQ grills

SCHOOLS

Elementary	Alderson Elementary School
Junior High	Dunbar College Preparatory Academy
High School	Estacado High School
Colleges and Universities	Texas Tech University, LCU, Wayland, SPC

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<u>Interior:</u>	<u>Number</u>	<u>Price</u>	<u>Total</u>
Down Unit	45	\$20,000	\$900,000
Makeready Unit	29	\$5,000	\$145,000
Interior Total:			\$1,045,000



Estrada North

1510 East Cornell St

Property Overview	
Units	140
Occupancy	47%
Year Built	2005
Utilities	Tenant Pays Electric and Gas, Owner pays Water
Rent Premium on upgraded units	\$100

Unit Type	No. of Units	Avg. SF	Asking Rent	Rent/SF	Proforma Rent	Rent/SF
A1-30% - 1/1	3	750	\$415	\$0.55	\$907	\$1.21
A1-40% - 1/1	1	750	\$576	\$0.77	\$907	\$1.21
A1-50% - 1/1	6	750	\$736	\$0.98	\$907	\$1.21
A1-MKT - 1/1	26	750	\$907	\$1.21	\$907	\$1.21
B1-40% - 2/2	1	1000	\$688	\$0.69	\$1,074	\$1.07
B1-50% - 2/2	2	1000	\$881	\$0.88	\$1,074	\$1.07
B1-60% - 2/2	5	1000	\$1,074	\$1.07	\$1,074	\$1.07
B1-MKT - 2/2	37	1000	\$1,074	\$1.07	\$1,074	\$1.07
B2-MKT - 2/2 - Flat	11	1000	\$1,074	\$1.07	\$1,074	\$1.07
C1-60% - 3/2	3	1100	\$1,233	\$1.12	\$1,233	\$1.12
C1-MKT - 3/2	37	1100	\$1,233	\$1.12	\$1,233	\$1.12
C2-MKT - 3/2 - Flat	8	1100	\$1,233	\$1.12	\$1,233	\$1.12
Totals / Avg.	140	970	\$1,060	\$1.09	\$1,086	\$1.12

GPR	\$1,780,500	\$1,823,760
GPR / Month	\$148,375	\$151,980

*LURA has been removed, those tenants grandfathered in until October 2027, after that all units will be at market









	Dec T12	Dec T6	Dec T3	Stabilized		Month: Dec	Proforma
Rental Income							
Gross Potential Rent	\$ 1,582,934	\$ 1,672,666	\$ 1,761,372	\$ 1,823,760	Projected		
Vacancy	\$ (853,983)	\$ (832,502)	\$ (877,500)	\$ (182,376)	10.0%		
Loss to Lease	\$ (127,927)	\$ (164,568)	\$ (183,515)	\$ (36,475)	2.0%		
Concessions	\$ (28,388)	\$ (8,580)	\$ (23,008)	\$ (18,238)	1.0%		
Bad Debt / Delinquency	\$ (41,209)	\$ (66,019)	\$ (81,506)	\$ (18,238)	1.0%		
Net Rental Income	\$ 531,427	\$ 600,997	\$ 595,842	\$ 1,568,434			Economic Occupancy 86%
Utility Reimbursement	\$ -	\$ -	\$ -	\$ 99,040	75.0%		water, sewer, and trash bill
App Fees	\$ 1,538	\$ 976	\$ 764	\$ 2,450	\$35		per unit * 50% turnover
Late Fees	\$ 22,000	\$ 29,465	\$ 30,416	\$ 22,000	T12		
Misc. Other Income	\$ 14,781	\$ 21,183	\$ 30,404	\$ 14,781	T12		
Total Other Income	\$ 38,823	\$ 52,054	\$ 62,064	\$ 138,775			Other Income 8%
Gross Operating Income	\$ 570,250	\$ 653,051	\$ 657,906	\$ 1,707,208			Gross Income 94%
Operating Expenses							
Admin	\$ 33,270	\$ 34,060	\$ 68,719	\$ 35,000	\$250		per unit
Advertising	\$ 20,947	\$ 22,902	\$ 24,042	\$ 14,000	\$100		per unit
Payroll	\$ 321,222	\$ 335,649	\$ 318,327	\$ 168,000	\$1,200		per unit
Repairs & Maintenance	\$ 26,594	\$ 31,794	\$ 24,254	\$ 70,000	\$500		per unit
Management Fee	\$ 75,000	\$ 75,000	\$ 75,000	\$ 68,288	4%		
Property Taxes	\$ 102,521	\$ 102,521	\$ 102,521	\$ 99,148	80%		sales price * tax rate
Insurance	\$ -	\$ -	\$ -	\$ 126,000	\$900		per unit
Landscaping	\$ 29,011	\$ 25,044	\$ 20,784	\$ 24,500	\$175		per unit
Turnover	\$ 36,626	\$ 26,068	\$ 18,655	\$ 28,000	\$200		per unit
Gas	\$ 12,733	\$ 7,278	\$ 9,369	\$ 13,115	T12 + 3%		
Electric - Common	\$ 10,322	\$ 20,644	\$ 26,491	\$ 10,632	T12 + 3%		
Electric - Vacant	\$ 23,921	\$ 30,590	\$ 18,979	\$ 24,638	T12 + 3%		
Water & Sewer	\$ 108,774	\$ 125,203	\$ 174,756	\$ 112,038	T12 + 3%		
Trash	\$ 19,432	\$ 24,548	\$ 30,002	\$ 20,015	T12 + 3%		
Utility Billing Service	\$ 5,403	\$ 6,225	\$ 4,979	\$ 5,565	T12 + 3%		per unit
Replacement Reserves	\$ -	\$ -	\$ -	\$ 42,000	\$300		per unit
Total Operating Expenses	\$ 825,777	\$ 867,526	\$ 916,879	\$ 860,939			Expenses 47%
Net Operating Income (NOI)	\$ (255,527)	\$ (214,474)	\$ (258,973)	\$ 846,270			NOI 46%

Income	Dec T3 Rent / T12 Other	% of GPR	Per Unit	Stabilized	% of GPR	Per Unit
Gross Potential Rent	\$1,761,372	100.0%	\$12,581	\$1,823,760	100.0%	\$13,027
Vacancy	-\$877,500	-49.8%	-\$6,268	-\$182,376	-10.0%	-\$1,303
Loss to Lease	-\$183,515	-10.4%	-\$1,311	-\$36,475	-2.0%	-\$261
Concessions	-\$23,008	-1.3%	-\$164	-\$18,238	-1.0%	-\$130
Bad Debt / Delinquency	-\$81,506	-4.6%	-\$582	-\$18,238	-1.0%	-\$130
Net Rental Income	\$595,842	33.8%	\$4,256	\$1,568,434	86.0%	\$11,203
Utility Reimbursement	\$0	0.0%	\$0	\$99,040	5.4%	\$707
App Fees	\$1,538	0.1%	\$11	\$2,450	0.1%	\$18
Late Fees	\$22,000	1.2%	\$157	\$22,000	1.2%	\$157
Pet Fees	\$504	0.0%	\$4	\$504	0.0%	\$4
Misc. Other Income	\$14,781	0.8%	\$106	\$14,781	0.8%	\$106
Total Other Income	\$38,823	2.2%	\$277	\$138,775	7.6%	\$991
Total Operating Income	\$634,665	36.0%	\$4,533	\$1,707,208	93.6%	\$12,194
Expenses	T12	% of GPR	Per Unit	Stabilized	% of GPR	Per Unit
Admin	\$33,270	1.9%	\$238	\$35,000	1.9%	\$250
Advertising	\$20,947	1.2%	\$150	\$14,000	0.8%	\$100
Payroll	\$321,222	18.2%	\$2,294	\$168,000	9.2%	\$1,200
Repairs & Maintenance	\$26,594	1.5%	\$190	\$70,000	3.8%	\$500
Management Fee	\$75,000	4.3%	\$536	\$68,288	3.7%	\$488
Property Taxes	\$102,521	5.8%	\$732	\$99,148	5.4%	\$708
Insurance	\$0	0.0%	\$0	\$126,000	6.9%	\$900
Landscaping	\$29,011	1.6%	\$207	\$24,500	1.3%	\$175
Turnover	\$36,626	2.1%	\$262	\$28,000	1.5%	\$200
Gas	\$12,733	0.7%	\$91	\$13,115	0.7%	\$94
Electric - Common	\$10,322	0.6%	\$74	\$10,632	0.6%	\$76
Electric - Vacant	\$23,921	1.4%	\$171	\$24,638	1.4%	\$176
Water & Sewer	\$108,774	6.2%	\$777	\$112,038	6.1%	\$800
Trash	\$19,432	1.1%	\$139	\$20,015	1.1%	\$143
Utility Billing Service	\$5,403	0.3%	\$39	\$5,565	0.3%	\$40
Replacement Reserves	\$0	0.0%	\$0	\$42,000	2.3%	\$300
Total Expenses	\$825,777	46.9%	\$5,898	\$860,939	47.2%	\$6,150
Net Operating Income	-\$191,112	-10.9%	-\$1,365	\$846,270	46.4%	\$6,045

Income	Dec T3 Rent / T12										
	Other	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Gross Potential Rent	\$ 1,761,372	\$ 1,823,760	\$ 1,878,473	\$ 1,934,827	\$ 1,992,872	\$ 2,052,658	\$ 2,114,238	\$ 2,177,665	\$ 2,242,995	\$ 2,310,285	\$ 2,379,593
Vacancy	\$ (877,500)	\$ (547,128)	\$ (375,695)	\$ (193,483)	\$ (199,287)	\$ (205,266)	\$ (211,424)	\$ (217,766)	\$ (224,299)	\$ (231,028)	\$ (237,959)
Loss to Lease	\$ (183,515)	\$ (182,376)	\$ (93,924)	\$ (38,697)	\$ (39,857)	\$ (41,053)	\$ (42,285)	\$ (43,553)	\$ (44,860)	\$ (46,206)	\$ (47,592)
Concessions	\$ (23,008)	\$ (18,238)	\$ (18,785)	\$ (19,348)	\$ (19,929)	\$ (20,527)	\$ (21,142)	\$ (21,777)	\$ (22,430)	\$ (23,103)	\$ (23,796)
Bad Debt / Delinquency	\$ (81,506)	\$ (18,238)	\$ (18,785)	\$ (19,348)	\$ (19,929)	\$ (20,527)	\$ (21,142)	\$ (21,777)	\$ (22,430)	\$ (23,103)	\$ (23,796)
Net Rental Income	\$ 595,842	\$ 1,057,781	\$ 1,371,285	\$ 1,663,951	\$ 1,713,870	\$ 1,765,286	\$ 1,818,244	\$ 1,872,792	\$ 1,928,975	\$ 1,986,845	\$ 2,046,450
Utility Reimbursement	\$ -	\$ 39,616	\$ 102,011	\$ 105,071	\$ 108,223	\$ 111,470	\$ 114,814	\$ 118,258	\$ 121,806	\$ 125,460	\$ 129,224
App Fees	\$ 1,538	\$ 2,450	\$ 2,524	\$ 2,599	\$ 2,677	\$ 2,757	\$ 2,840	\$ 2,925	\$ 3,013	\$ 3,104	\$ 3,197
Late Fees	\$ 22,000	\$ 22,000	\$ 22,660	\$ 23,340	\$ 24,040	\$ 24,761	\$ 25,504	\$ 26,269	\$ 27,057	\$ 27,869	\$ 28,705
Misc. Other Income	\$ 14,781	\$ 14,781	\$ 15,225	\$ 15,682	\$ 16,152	\$ 16,637	\$ 17,136	\$ 17,650	\$ 18,179	\$ 18,725	\$ 19,286
Total Other Income	\$ 38,823	\$ 79,351	\$ 142,938	\$ 147,226	\$ 151,643	\$ 156,192	\$ 160,878	\$ 165,704	\$ 170,675	\$ 175,796	\$ 181,070

Total Operating Income	\$ 634,665	\$ 1,137,132	\$ 1,514,223	\$ 1,811,177	\$ 1,865,513	\$ 1,921,478	\$ 1,979,122	\$ 2,038,496	\$ 2,099,651	\$ 2,162,640	\$ 2,227,520
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Expenses	T12										
Admin	\$ 33,270	\$ 35,000	\$ 36,050	\$ 37,132	\$ 38,245	\$ 39,393	\$ 40,575	\$ 41,792	\$ 43,046	\$ 44,337	\$ 45,667
Advertising	\$ 20,947	\$ 14,000	\$ 14,420	\$ 14,853	\$ 15,298	\$ 15,757	\$ 16,230	\$ 16,717	\$ 17,218	\$ 17,735	\$ 18,267
Payroll	\$ 321,222	\$ 168,000	\$ 173,040	\$ 178,231	\$ 183,578	\$ 189,085	\$ 194,758	\$ 200,601	\$ 206,619	\$ 212,817	\$ 219,202
Repairs & Maintenance	\$ 26,594	\$ 70,000	\$ 72,100	\$ 74,263	\$ 76,491	\$ 78,786	\$ 81,149	\$ 83,584	\$ 86,091	\$ 88,674	\$ 91,334
Management Fee	\$ 75,000	\$ 45,485	\$ 60,569	\$ 72,447	\$ 74,621	\$ 76,859	\$ 79,165	\$ 81,540	\$ 83,986	\$ 86,506	\$ 89,101
Property Taxes	\$ 102,521	\$ 99,148	\$ 62,051	\$ 140,560	\$ 178,982	\$ 177,253	\$ 184,044	\$ 189,259	\$ 195,001	\$ 200,837	\$ 206,865
Insurance	\$ -	\$ 126,000	\$ 129,780	\$ 133,673	\$ 137,684	\$ 141,814	\$ 146,069	\$ 150,451	\$ 154,964	\$ 159,613	\$ 164,401
Landscaping	\$ 29,011	\$ 24,500	\$ 25,235	\$ 25,992	\$ 26,772	\$ 27,575	\$ 28,402	\$ 29,254	\$ 30,132	\$ 31,036	\$ 31,967
Turnover	\$ 36,626	\$ 28,000	\$ 28,840	\$ 29,705	\$ 30,596	\$ 31,514	\$ 32,460	\$ 33,433	\$ 34,436	\$ 35,470	\$ 36,534
Gas	\$ 12,733	\$ 13,115	\$ 13,508	\$ 13,913	\$ 14,331	\$ 14,760	\$ 15,203	\$ 15,659	\$ 16,129	\$ 16,613	\$ 17,111
Electric - Common	\$ 10,322	\$ 10,632	\$ 10,950	\$ 11,279	\$ 11,617	\$ 11,966	\$ 12,325	\$ 12,695	\$ 13,075	\$ 13,468	\$ 13,872
Electric - Vacant	\$ 23,921	\$ 24,638	\$ 25,377	\$ 26,139	\$ 26,923	\$ 27,731	\$ 28,563	\$ 29,419	\$ 30,302	\$ 31,211	\$ 32,147
Water & Sewer	\$ 108,774	\$ 112,038	\$ 115,399	\$ 118,861	\$ 122,426	\$ 126,099	\$ 129,882	\$ 133,779	\$ 137,792	\$ 141,926	\$ 146,184
Trash	\$ 19,432	\$ 20,015	\$ 20,616	\$ 21,234	\$ 21,871	\$ 22,527	\$ 23,203	\$ 23,899	\$ 24,616	\$ 25,355	\$ 26,115
Utility Billing Service	\$ 5,403	\$ 5,565	\$ 5,732	\$ 5,904	\$ 6,081	\$ 6,264	\$ 6,451	\$ 6,645	\$ 6,844	\$ 7,050	\$ 7,261
Replacement Reserves	\$ -	\$ 42,000	\$ 43,260	\$ 44,558	\$ 45,895	\$ 47,271	\$ 48,690	\$ 50,150	\$ 51,655	\$ 53,204	\$ 54,800
Total Expenses	\$ 825,777	\$ 838,136	\$ 836,927	\$ 948,744	\$ 1,011,411	\$ 1,034,655	\$ 1,067,168	\$ 1,098,877	\$ 1,131,907	\$ 1,165,851	\$ 1,200,829

Net Operating Income	\$ (191,112)	\$ 298,996	\$ 677,296	\$ 862,434	\$ 854,101	\$ 886,823	\$ 911,955	\$ 939,619	\$ 967,744	\$ 996,790	\$ 1,026,691
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	Current	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Net Operating Income	\$ (191,112)	\$ 298,996	\$ 677,296	\$ 862,434	\$ 854,101	\$ 886,823	\$ 911,955	\$ 939,619	\$ 967,744	\$ 996,790	\$ 1,026,691
Cash Flows											
Annual Debt Service	\$ 499,081	\$ 499,081	\$ 499,081								
2nd Loan Debt Service				\$ 663,343	\$ 663,343	\$ 663,343	\$ 663,343	\$ 663,343	\$ 663,343	\$ 663,343	\$ 663,343
Net from refinance			\$ 2,637,800								\$ -
Cash Flow	\$ (200,085)	\$ 178,215	\$ 3,001,153	\$ 190,759	\$ 223,480	\$ 248,612	\$ 276,276	\$ 304,401	\$ 333,447	\$ 363,348	
Debt Paydown											
Loan Paydown	\$ -	\$ -	\$ -								
2nd Loan Paydown				\$ 113,223	\$ 120,206	\$ 127,620	\$ 135,491	\$ 143,848	\$ 152,720	\$ 162,140	
Sales Analysis											
Projected Sales Price	\$ 4,271,373	\$ 9,675,654	\$ 12,320,479	\$ 12,201,449	\$ 12,668,901	\$ 13,027,923	\$ 13,423,128	\$ 13,824,916	\$ 14,239,851	\$ 14,667,008	
Cost of Sale	\$ 213,569	\$ 483,783	\$ 616,024	\$ 610,072	\$ 633,445	\$ 651,396	\$ 671,156	\$ 691,246	\$ 711,993	\$ 733,350	
Loan Balance	\$ 6,490,000	\$ 6,490,000	\$ 6,490,000								
2nd Loan Balance				\$ 9,106,777	\$ 8,986,571	\$ 8,858,951	\$ 8,723,460	\$ 8,579,612	\$ 8,426,891	\$ 8,264,751	
Refunded Reserves and Prepays	\$ 485,063	\$ 485,063	\$ 485,063	\$ 485,063	\$ 485,063	\$ 485,063	\$ 485,063	\$ 485,063	\$ 485,063	\$ 485,063	\$ 485,063
Sales Proceeds	\$ (1,947,132)	\$ 3,186,935	\$ 3,061,718	\$ 2,969,662	\$ 3,533,948	\$ 4,002,639	\$ 4,513,575	\$ 5,039,121	\$ 5,586,031	\$ 6,153,969	
Return Metrics											
DSCR	0.60	1.36	1.73	1.29	1.34	1.37	1.42	1.46	1.50	1.55	
Cap Rate / Yield on Cost	3.8%	8.6%	11.0%	10.9%	11.3%	11.6%	11.9%	12.3%	12.7%	13.0%	
Equity Multiple	-1.0	1.5	2.8	2.8	3.2	3.5	3.9	4.3	4.7	5.1	
Cash on Cash Return	-9.2%	8.2%	16.8%	8.8%	10.3%	11.5%	12.8%	14.1%	15.4%	16.8%	
Average Cash on Cash Return	-9.2%	-0.5%	5.3%	6.1%	7.0%	7.7%	8.5%	9.2%	9.8%	10.5%	
Unlevered IRR	-43.6%	11.5%	18.4%	21.5%	19.9%	18.6%	17.7%	17.1%	16.6%	16.2%	
Levered IRR	#NUM!	20.2%	39.9%	34.2%	33.4%	32.2%	31.2%	30.4%	29.7%	29.0%	
Assumptions:											
Rental and Other Income Growth	0.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	
Utility Reimbursement %	30.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	
Vacancy	30.0%	20.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	
Loss to Lease	10.0%	5.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	
Concessions	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	
Bad Debt	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	
Expense Growth	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	
Property Tax Assessment %	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%	
Exit Cap Rate	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	
Cost of Sale	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	

Contract Purchase Price	\$	6,825,000
Initial Improvements	\$	1,045,000
Reserves and Prepaid Expenses	\$	685,148
Closing Costs	\$	99,025

Price/Unit	\$48,750
Price/SF	\$50
GRM	3.8
Current Cap Rate	-2.8%
Proforma Cap Rate	12.4%
5 Yr IRR	33.4%
5 Yr Avg Cash on Cash	7.0%

Improvements, Reserves, and Prepaids

Interior Renovations	\$	1,045,000
Operating Reserves	\$	460,000
Tax and Insurance Prepaids	\$	225,148

Closing Costs

Loan Origination Fee	\$	64,900
Title	\$	17,063
Legal	\$	17,063

Total Cost	\$	8,654,173
Initial Investment	\$	2,164,173
Down Payment as % of Cost		25%

Investment Hold Period 10 years

Proposed Financing

	Bridge - Non Recourse	Refi
Loan to Cost:	75%	
Loan Amount:	\$6,490,000	\$9,220,000
Interest Rate:	7.69%	6.00%
Amortization:		360
Term:	3	10
Years of Interest Only:	3	-
Loan Starting Year:	1	4

PROPERTY

Address	2502 Weber
Market	Lubbock
# of Units	112
Year Built	2005
Average Unit Size	750
Net Rentable Area	108,200
# of Stories	2
# of Buildings	8 apartment buildings, office, shop

TAX INFORMATION**Lubbock CAD**

Parcel ID	R98526
Current Assessed Value (2025)	\$5,333,640
Tax Rate	1.82%
Land Area	7.52 Acres

MECHANICAL

HVAC	Individual HVAC
Electricity	Individually Metered
Type of Wiring	Copper
Hot Water	Individual

CONSTRUCTION

Style	Garden
Foundation	Concrete Slab
Framing	Wood
Roof	Pitched composition
Parking	Concrete

LAUNDRY

Washer/Dryer Connections	In each unit
On-Site Facility	Currently inoperable
Contracted Company	NA
Contract Term Remaining	NA

* PROPERTIES CAN BE PURCHASED TOGETHER AS A PORTFOLIO OR SEPARATELY

UTILITIES/PAID BY

Electricity	Individually metered, paid by tenant
Water and Sewer	Paid by owner
Trash	Paid by owner
Gas	Individually metered, paid by tenant
Telephone	Paid by tenant
Cable	Paid by tenant
Internet	Paid by tenant

FEES & DEPOSITS

Application Fee	\$15 per adult
Administrative Fee	\$0
Security Deposit	\$250 1BR, \$350 2BR, \$450 3BR
Non-Refundable Pet Fee	\$300
Refundable Pet Deposit	\$300
Monthly Pet Rent	\$15
Month-to-Month Lease Fee	\$100

PERSONNEL

Management Company	Asset Living
Leasing Office	On-site
Maintenance	2 full time, 1 lead shared

APARTMENT FEATURES

Washer/dryer connections in each unit
Refrigerator, electric stove, microwave, dishwasher
Storage

COMMUNITY AMENITIES

Business center
Playground
Gazebo
BBQ grills

SCHOOLS

Elementary	Alderson Elementary School
Junior High	Dunbar College Preparatory Academy
High School	Estacado High School
Colleges and Universities	Texas Tech University, LCU, Wayland, SPC

<u>Interior:</u>	<u>Number</u>	<u>Price</u>	<u>Total</u>
Down Unit	42	20,000	\$840,000
Make Ready Unit	12	5,000	\$60,000
<u>Interior Total:</u>			\$900,000









Estrada South I

2502 Weber

Property Overview	
Units	112
Occupancy	52%
Year Built	2005
Utilities	Tenant Pays Electric and Gas, Owner pays Water
Rent Premium on upgraded units	\$100

Unit Type	No. of Units	Avg. SF	Asking Rent	Rent/SF	Proforma Rent	Rent/SF
A1-40% - 1/1	1	750	\$552	\$0.74	\$873	\$1.16
A1-50% - 1/1	4	750	\$712	\$0.95	\$873	\$1.16
A1-MKT - 1/1	23	750	\$873	\$1.16	\$873	\$1.16
B1-50% - 2/2	3	900	\$857	\$0.95	\$1,050	\$1.17
B1-MKT - 2/2	33	1,000	\$1,050	\$1.05	\$1,050	\$1.05
B2-MKT - 2/1 - Flat	13	1,000	\$1,050	\$1.05	\$1,050	\$1.05
C1-MKT - 3/2	31	1,100	\$1,209	\$1.10	\$1,209	\$1.10
C2-MKT - 3/2 - Flat	4	1,100	\$1,209	\$1.10	\$1,209	\$1.10
Totals / Avg.	112	966	\$1,042	\$1.08	\$1,055	\$1.09

GPR	\$1,399,980	\$1,418,508
GPR / Month	\$116,665	\$118,209

*LURA has been removed, those tenants grandfathered in until October 2027, after that all units will be at market



	Dec T12	Dec T6	Dec T3	Stabilized
Rental Income				
Gross Potential Rent	\$ 1,251,581	\$ 1,325,830	\$ 1,400,688	\$ 1,418,508
Vacancy	\$ (737,151)	\$ (680,648)	\$ (691,308)	\$ (141,851)
Loss to Lease	\$ (49,287)	\$ (82,700)	\$ (121,216)	\$ (28,370)
Concessions	\$ (25,200)	\$ (26,040)	\$ (15,092)	\$ (14,185)
Bad Debt / Delinquency	\$ (22,236)	\$ (38,986)	\$ (38,838)	\$ (14,185)
Net Rental Income	\$ 417,707	\$ 497,456	\$ 534,234	\$ 1,219,917
Utility Reimbursement	\$ -	\$ -	\$ -	\$ 68,119
App Fees	\$ 1,574	\$ 1,436	\$ 952	\$ 1,960
Late Fees	\$ 14,290	\$ 19,266	\$ 18,682	\$ 14,290
Misc. Other Income	\$ 12,578	\$ 19,001	\$ 14,310	\$ 12,578
Total Other Income	\$ 29,292	\$ 40,603	\$ 34,844	\$ 97,797
Gross Operating Income	\$ 446,999	\$ 538,060	\$ 569,078	\$ 1,317,714
Operating Expenses				
Admin	\$ 26,426	\$ 30,397	\$ 28,652	\$ 26,426
Advertising	\$ 22,454	\$ 27,348	\$ 32,454	\$ 22,454
Payroll	\$ 253,958	\$ 273,916	\$ 228,224	\$ 134,400
Repairs & Maintenance	\$ 35,416	\$ 39,136	\$ 16,287	\$ 56,000
Management Fee	\$ 75,000	\$ 75,000	\$ 75,000	\$ 52,709
Property Taxes	\$ 94,375	\$ 94,375	\$ 94,375	\$ 69,731
Insurance	\$ -	\$ -	\$ -	\$ 100,800
Landscaping	\$ 23,382	\$ 23,396	\$ 23,382	\$ 23,382
Turnover	\$ 37,963	\$ 20,656	\$ 3,253	\$ 22,400
Gas	\$ 10,367	\$ 3,716	\$ 701	\$ 10,678
Electric - Common	\$ 13,376	\$ 17,997	\$ 16,353	\$ 13,778
Electric - Vacant	\$ 33,435	\$ 24,093	\$ 23,977	\$ 34,438
Water & Sewer	\$ 74,362	\$ 85,199	\$ 74,900	\$ 76,593
Trash	\$ 13,817	\$ 12,853	\$ 14,906	\$ 14,232
Utility Billing Service	\$ 3,059	\$ 1,995	\$ -	\$ 3,151
Replacement Reserves	\$ -	\$ -	\$ -	\$ 33,600
Total Operating Expenses	\$ 717,391	\$ 730,076	\$ 632,465	\$ 694,771
Net Operating Income (NOI)	\$ (270,392)	\$ (192,017)	\$ (63,386)	\$ 622,943

Projected
10.0%
2.0%
1.0%
1.0%
75.0%
\$35
T12
T12

Month:
Dec **Proforma**

Economic Occupancy 86%
water, sewer, and trash bill
per unit * 50% turnover

Other Income 7%

Gross Income 93%

T12
T12
\$1,200 per unit
\$500 per unit
4%
80% sales price * tax rate
\$900 per unit
T12
\$200 per unit
T12 + 3%
T12 + 3%
T12 + 3%
T12 + 3%
T12 + 3%
T12 + 3%
\$300 per unit
Expenses 49%
NOI 44%

Income	Dec T3 Rent / T12 Other	% of GPR	Per Unit	Stabilized	% of GPR	Per Unit
Gross Potential Rent	\$1,400,688	100.0%	\$12,506	\$1,418,508	100.0%	\$12,665
Vacancy	-\$691,308	-49.4%	-\$6,172	-\$141,851	-10.0%	-\$1,267
Loss to Lease	-\$121,216	-8.7%	-\$1,082	-\$28,370	-2.0%	-\$253
Concessions	-\$15,092	-1.1%	-\$135	-\$14,185	-1.0%	-\$127
Bad Debt / Delinquency	-\$38,838	-2.8%	-\$347	-\$14,185	-1.0%	-\$127
Net Rental Income	\$534,234	38.1%	\$4,770	\$1,219,917	86.0%	\$10,892
Utility Reimbursement	\$0	0.0%	\$0	\$68,119	4.8%	\$608
App Fees	\$1,574	0.1%	\$14	\$1,960	0.1%	\$18
Late Fees	\$14,290	1.0%	\$128	\$14,290	1.0%	\$128
Misc. Other Income	\$12,578	0.9%	\$112	\$12,578	0.9%	\$112
Total Other Income	\$29,292	2.1%	\$262	\$97,797	6.9%	\$873
Total Operating Income	\$563,526	40.2%	\$5,031	\$1,317,714	92.9%	\$11,765
Expenses	T12	% of GPR	Per Unit	Stabilized	% of GPR	Per Unit
Admin	\$26,426	1.9%	\$236	\$26,426	1.9%	\$236
Advertising	\$22,454	1.6%	\$200	\$22,454	1.6%	\$200
Payroll	\$253,958	18.1%	\$2,267	\$134,400	9.5%	\$1,200
Repairs & Maintenance	\$35,416	2.5%	\$316	\$56,000	3.9%	\$500
Management Fee	\$75,000	5.4%	\$670	\$52,709	3.7%	\$471
Property Taxes	\$94,375	6.7%	\$843	\$69,731	4.9%	\$623
Insurance	\$0	0.0%	\$0	\$100,800	7.1%	\$900
Landscaping	\$23,382	1.7%	\$209	\$23,382	1.6%	\$209
Turnover	\$37,963	2.7%	\$339	\$22,400	1.6%	\$200
Gas	\$10,367	0.7%	\$93	\$10,678	0.8%	\$95
Electric - Common	\$13,376	1.0%	\$119	\$13,778	1.0%	\$123
Electric - Vacant	\$33,435	2.4%	\$299	\$34,438	2.4%	\$307
Water & Sewer	\$74,362	5.3%	\$664	\$76,593	5.4%	\$684
Trash	\$13,817	1.0%	\$123	\$14,232	1.0%	\$127
Utility Billing Service	\$3,059	0.2%	\$27	\$3,151	0.2%	\$28
Replacement Reserves	\$0	0.0%	\$0	\$33,600	2.4%	\$300
Total Expenses	\$717,391	51.2%	\$6,405	\$694,771	49.0%	\$6,203
Net Operating Income	-\$153,865	-11.0%	-\$1,374	\$622,943	43.9%	\$5,562

Income	Dec T3 Rent / T12										
	Other	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Gross Potential Rent	\$ 1,400,688	\$ 1,418,508	\$ 1,461,063	\$ 1,504,895	\$ 1,550,042	\$ 1,596,543	\$ 1,644,440	\$ 1,693,773	\$ 1,744,586	\$ 1,796,923	\$ 1,850,831
Vacancy	\$ (691,308)	\$ (425,552)	\$ (292,213)	\$ (150,490)	\$ (155,004)	\$ (159,654)	\$ (164,444)	\$ (169,377)	\$ (174,459)	\$ (179,692)	\$ (185,083)
Loss to Lease	\$ (121,216)	\$ (141,851)	\$ (73,053)	\$ (30,098)	\$ (31,001)	\$ (31,931)	\$ (32,889)	\$ (33,875)	\$ (34,892)	\$ (35,938)	\$ (37,017)
Concessions	\$ (15,092)	\$ (14,185)	\$ (14,611)	\$ (15,049)	\$ (15,500)	\$ (15,965)	\$ (16,444)	\$ (16,938)	\$ (17,446)	\$ (17,969)	\$ (18,508)
Bad Debt / Delinquency	\$ (38,838)	\$ (14,185)	\$ (14,611)	\$ (15,049)	\$ (15,500)	\$ (15,965)	\$ (16,444)	\$ (16,938)	\$ (17,446)	\$ (17,969)	\$ (18,508)
Net Rental Income	\$ 534,234	\$ 822,735	\$ 1,066,576	\$ 1,294,210	\$ 1,333,036	\$ 1,373,027	\$ 1,414,218	\$ 1,456,645	\$ 1,500,344	\$ 1,545,354	\$ 1,591,715
Utility Reimbursement	\$ -	\$ 27,247	\$ 70,162	\$ 72,267	\$ 74,435	\$ 76,668	\$ 78,968	\$ 81,337	\$ 83,777	\$ 86,290	\$ 88,879
App Fees	\$ 1,574	\$ 1,960	\$ 2,019	\$ 2,079	\$ 2,142	\$ 2,206	\$ 2,272	\$ 2,340	\$ 2,411	\$ 2,483	\$ 2,557
Late Fees	\$ 14,290	\$ 14,290	\$ 14,719	\$ 15,160	\$ 15,615	\$ 16,084	\$ 16,566	\$ 17,063	\$ 17,575	\$ 18,102	\$ 18,645
Pet Fees	\$ 850	\$ 850	\$ 876	\$ 902	\$ 929	\$ 957	\$ 985	\$ 1,015	\$ 1,045	\$ 1,077	\$ 1,109
Misc. Other Income	\$ 12,578	\$ 12,578	\$ 12,956	\$ 13,344	\$ 13,745	\$ 14,157	\$ 14,582	\$ 15,019	\$ 15,470	\$ 15,934	\$ 16,412
Total Other Income	\$ 29,292	\$ 56,926	\$ 100,731	\$ 103,753	\$ 106,865	\$ 110,071	\$ 113,373	\$ 116,775	\$ 120,278	\$ 123,886	\$ 127,603
Total Operating Income	\$ 563,526	\$ 879,660	\$ 1,167,307	\$ 1,397,963	\$ 1,439,901	\$ 1,483,098	\$ 1,527,591	\$ 1,573,419	\$ 1,620,622	\$ 1,669,240	\$ 1,719,318
Expenses											
	T12										
Admin	\$ 26,426	\$ 26,426	\$ 27,219	\$ 28,036	\$ 28,877	\$ 29,743	\$ 30,635	\$ 31,554	\$ 32,501	\$ 33,476	\$ 34,480
Advertising	\$ 22,454	\$ 22,454	\$ 23,128	\$ 23,822	\$ 24,536	\$ 25,273	\$ 26,031	\$ 26,812	\$ 27,616	\$ 28,444	\$ 29,298
Payroll	\$ 253,958	\$ 134,400	\$ 138,432	\$ 142,585	\$ 146,863	\$ 151,268	\$ 155,806	\$ 160,481	\$ 165,295	\$ 170,254	\$ 175,362
Repairs & Maintenance	\$ 35,416	\$ 56,000	\$ 57,680	\$ 59,410	\$ 61,193	\$ 63,028	\$ 64,919	\$ 66,867	\$ 68,873	\$ 70,939	\$ 73,067
Management Fee	\$ 75,000	\$ 35,186	\$ 46,692	\$ 55,919	\$ 57,596	\$ 59,324	\$ 61,104	\$ 62,937	\$ 64,825	\$ 66,770	\$ 68,773
Property Taxes	\$ 94,375	\$ 69,731	\$ 42,007	\$ 101,505	\$ 131,441	\$ 129,803	\$ 134,855	\$ 138,661	\$ 142,870	\$ 147,146	\$ 151,563
Insurance	\$ -	\$ 100,800	\$ 103,824	\$ 106,939	\$ 110,147	\$ 113,451	\$ 116,855	\$ 120,360	\$ 123,971	\$ 127,690	\$ 131,521
Landscaping	\$ 23,382	\$ 23,382	\$ 24,083	\$ 24,806	\$ 25,550	\$ 26,317	\$ 27,106	\$ 27,919	\$ 28,757	\$ 29,620	\$ 30,508
Turnover	\$ 37,963	\$ 22,400	\$ 23,072	\$ 23,764	\$ 24,477	\$ 25,211	\$ 25,968	\$ 26,747	\$ 27,549	\$ 28,376	\$ 29,227
Gas	\$ 10,367	\$ 10,678	\$ 10,999	\$ 11,329	\$ 11,668	\$ 12,018	\$ 12,379	\$ 12,750	\$ 13,133	\$ 13,527	\$ 13,933
Electric - Common	\$ 13,376	\$ 13,778	\$ 14,191	\$ 14,617	\$ 15,055	\$ 15,507	\$ 15,972	\$ 16,451	\$ 16,945	\$ 17,453	\$ 17,977
Electric - Vacant	\$ 33,435	\$ 34,438	\$ 35,471	\$ 36,535	\$ 37,631	\$ 38,760	\$ 39,923	\$ 41,121	\$ 42,354	\$ 43,625	\$ 44,934
Water & Sewer	\$ 74,362	\$ 76,593	\$ 78,891	\$ 81,257	\$ 83,695	\$ 86,206	\$ 88,792	\$ 91,456	\$ 94,200	\$ 97,025	\$ 99,936
Trash	\$ 13,817	\$ 14,232	\$ 14,659	\$ 15,099	\$ 15,552	\$ 16,018	\$ 16,499	\$ 16,994	\$ 17,503	\$ 18,028	\$ 18,569
Utility Billing Service	\$ 3,059	\$ 3,151	\$ 3,245	\$ 3,342	\$ 3,443	\$ 3,546	\$ 3,652	\$ 3,762	\$ 3,875	\$ 3,991	\$ 4,111
Replacement Reserves	\$ -	\$ 33,600	\$ 34,608	\$ 35,646	\$ 36,716	\$ 37,817	\$ 38,952	\$ 40,120	\$ 41,324	\$ 42,563	\$ 43,840
Total Expenses	\$ 717,391	\$ 677,249	\$ 678,201	\$ 764,610	\$ 814,439	\$ 833,292	\$ 859,449	\$ 884,992	\$ 911,591	\$ 938,929	\$ 967,099
Net Operating Income	\$ (153,865)	\$ 202,412	\$ 489,106	\$ 633,352	\$ 625,462	\$ 649,807	\$ 668,143	\$ 688,428	\$ 709,030	\$ 730,312	\$ 752,219

	Current	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Net Operating Income	\$ (153,865)	\$ 202,412	\$ 489,106	\$ 633,352	\$ 625,462	\$ 649,807	\$ 668,143	\$ 688,428	\$ 709,030	\$ 730,312	\$ 752,219
Cash Flows											
Annual Debt Service	\$ 358,200	\$ 358,200	\$ 358,200								
2nd Loan Debt Service				\$ 487,147	\$ 487,147	\$ 487,147	\$ 487,147	\$ 487,147	\$ 487,147	\$ 487,147	\$ 487,147
Net from refinance				\$ 2,045,290							\$ -
Cash Flow	\$ (155,789)	\$ 130,906	\$ 2,320,442	\$ 138,316	\$ 162,660	\$ 180,996	\$ 201,281	\$ 221,884	\$ 243,165	\$ 265,072	
Debt Paydown											
Loan Paydown	\$ -	\$ -	\$ -								
2nd Loan Paydown				\$ 83,149	\$ 88,277	\$ 93,722	\$ 99,502	\$ 105,639	\$ 112,155	\$ 119,073	
Sales Analysis											
Projected Sales Price	\$ 2,891,594	\$ 6,987,230	\$ 9,047,889	\$ 8,935,176	\$ 9,282,955	\$ 9,544,898	\$ 9,834,679	\$ 10,129,007	\$ 10,433,025	\$ 10,745,985	
Cost of Sale	\$ 144,580	\$ 349,362	\$ 452,394	\$ 446,759	\$ 464,148	\$ 477,245	\$ 491,734	\$ 506,450	\$ 521,651	\$ 537,299	
Loan Balance	\$ 4,658,000	\$ 4,658,000	\$ 4,658,000								
2nd Loan Balance				\$ 6,687,851	\$ 6,599,574	\$ 6,505,852	\$ 6,406,350	\$ 6,300,711	\$ 6,188,555	\$ 6,069,483	
Refunded Reserves and Prepays	\$ 284,742	\$ 284,742	\$ 284,742	\$ 284,742	\$ 284,742	\$ 284,742	\$ 284,742	\$ 284,742	\$ 284,742	\$ 284,742	\$ 284,742
Sales Proceeds	\$ (1,626,244)	\$ 2,264,611	\$ 2,176,947	\$ 2,085,308	\$ 2,503,975	\$ 2,846,543	\$ 3,221,337	\$ 3,606,588	\$ 4,007,560	\$ 4,423,945	
Return Metrics											
DSCR	0.57	1.37	1.77	1.28	1.33	1.37	1.41	1.46	1.50	1.54	
Cap Rate / Yield on Cost	3.6%	8.6%	11.1%	11.0%	11.4%	11.7%	12.1%	12.4%	12.8%	13.2%	
Equity Multiple	-1.1	1.4	2.9	2.9	3.3	3.6	4.0	4.4	4.8	5.2	
Cash on Cash Return	-10.0%	8.4%	17.7%	8.9%	10.5%	11.7%	13.0%	14.3%	15.7%	17.1%	
Average Cash on Cash Return	-10.0%	-0.8%	5.4%	6.3%	7.1%	7.9%	8.6%	9.3%	10.0%	10.7%	
Unlevered IRR	-47.5%	11.3%	19.0%	22.3%	20.5%	19.2%	18.3%	17.6%	17.1%	16.6%	
Levered IRR	#NUM!	19.3%	41.2%	35.4%	34.6%	33.4%	32.4%	31.6%	30.9%	30.2%	
Assumptions:											
Rental and Other Income Growth	0.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	
Utility Reimbursement %	30.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	
Vacancy	30.0%	20.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	
Loss to Lease	10.0%	5.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	
Concessions	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	
Bad Debt	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	
Expense Growth	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	
Property Tax Assessment %	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%	
Exit Cap Rate	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	
Cost of Sale	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	

Contract Purchase Price	\$ 4,800,000
Initial Improvements	\$ 900,000
Reserves and Prepaid Expenses	\$ 440,531
Closing Costs	\$ 70,580

Price/Unit	\$42,857
Price/SF	\$44
GRM	3.4
Current Cap Rate	-3.2%
Proforma Cap Rate	13.0%
5 Yr IRR	34.6%
5 Yr Avg Cash on Cash	7.1%

Improvements, Reserves, and Prepaids

Interior Renovations	\$ 900,000
Operating Reserves	\$ 270,000
Tax and Insurance Prepaids	\$ 170,531

Closing Costs

Loan Origination Fee	\$ 46,580
Title	\$ 12,000
Legal	\$ 12,000

Total Cost	\$ 6,211,111
Initial Investment	\$ 1,553,111
Down Payment as % of Cost	25%

Investment Hold Period 10 years

Proposed Financing

	Bridge - Non Recourse	Refi
Loan to Cost:	75%	
Loan Amount:	\$4,658,000	\$6,771,000
Interest Rate:	7.69%	6.00%
Amortization:		360
Term:	3	10
Years of Interest Only:	3	-
Loan Starting Year:	1	4



Information About Brokerage Services

Texas law requires all real estate license holders to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

11-03-2025



TYPES OF REAL ESTATE LICENSE HOLDERS:

- **A BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- **A SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

WRITTEN AGREEMENTS ARE REQUIRED IN CERTAIN SITUATIONS: A license holder who performs brokerage activity for a prospective buyer of residential property must enter into a written agreement with the buyer before showing any residential property to the buyer or if no residential property will be shown, before presenting an offer on behalf of the buyer. This written agreement must contain specific information required by Texas law. For more information on these requirements, see section 1101.563 of the Texas Occupations Code. **Even if a written agreement is not required, to avoid disputes, all agreements between you and a broker should be in writing and clearly establish: (i) the broker's duties and responsibilities to you and your obligations under the agreement; and (ii) the amount or rate of compensation the broker will receive and how this amount is determined.**

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent by the buyer or buyer's agent. **An owner's agent fees are not set by law and are fully negotiable.**

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent. **A buyer/tenant's agent fees are not set by law and are fully negotiable.**

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of each party to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
 - o that the owner will accept a price less than the written asking price;
 - o that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - o any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

A LICENSE HOLDER CAN SHOW PROPERTY TO A BUYER/TENANT WITHOUT REPRESENTING THE BUYER/TENANT IF:

- The broker has not agreed with the buyer/tenant, either orally or in writing, to represent the buyer/tenant;
- The broker is not otherwise acting as the buyer/tenant's agent at the time of showing the property;
- The broker does not provide the buyer/tenant opinions or advice regarding the property or real estate transactions generally; and
- The broker does not perform any other act of real estate brokerage for the buyer/tenant.

Before showing a residential property to an unrepresented prospective buyer, a license holder must enter into a written agreement that contains the information required by section 1101.563 of the Texas Occupations Code. The agreement may not be exclusive and must be limited to no more than 14 days.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

Keller Williams Realty	0494693	pamtitzell@kw.com	(806)773-0088
Name of Sponsoring Broker (Licensed Individual or Business Entity)	License No.	Email	Phone
Keller Williams Realty	0465722	pamtitzell@kw.com	(806)773-0088
Name of Designated Broker of Licensed Business Entity, if applicable	License No.	Email	Phone
Pam Titzell	0465722	PamTitzell@kw.com	(806)773-0088
Name of Licensed Supervisor of Sales Agent/Associate, if applicable	License No.	Email	Phone
_____	_____	_____	_____
Name of Sales Agent/Associate	License No.	Email	Phone

Buyer/Tenant/Seller/Landlord Initials _____ Date _____

Regulated by the Texas Real Estate Commission **Information available at www.trec.texas.gov** IABS 1-2

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*PROPERTIES CAN BE PURCHASED TOGETHER AS A PORTFOLIO OR SEPARATELY

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