PALMER 12-UNIT PORTFOLIO

12-UNIT APARTMENT COMPLEX | PALMER, MASSACHUSETTS | $2,000,000 | 9.9% CAP RATE

CASH-FLOWING MULTIFAMILY INVESTMENT IN THE PIONEER VALLEY | ADDRESS PROVIDED UPON EXECUTION OF NDA

OFFERING SUMMARY

SALE PRICE	$2,000,000
PRICE PER UNIT	$166,667
UNITS	12
BEDROOMS	42
GROSS SCHEDULED RENT	$286,128
NET OPERATING INCOME	$198,435
CAP RATE	9.9%
BUILDING AREA	16,631 SF
LOT SIZE	1.01 Acres

A HIGH-YIELD, BEDROOM-HEAVY 12-UNIT ASSET IN WESTERN MASSACHUSETTS

This offering is a 12-unit garden-style apartment complex on 1.01 acres in Palmer, Massachusetts. The property comprises three two-story wood-frame buildings totaling 16,631 square feet of gross building area. The unit mix is eight four-bedroom units, two three-bedroom units and two two-bedroom units - 42 bedrooms across 12 doors, an average of 3.50 bedrooms per unit.

Tenants pay all utilities, including heat and hot water. Owner-paid costs are limited to taxes, insurance, water and sewer, trash, common-area electric and hot water tank rentals - just $46,205 annually. Gross scheduled rent of $286,128, underwritten with a full 5% management fee and a 5% replacement reserve, produces a net operating income of $198,435 - a 9.9% capitalization rate at the $2,000,000 asking price and a significant premium to the 8.1% Hampden County multifamily market cap rate.

Palmer sits at the junction of Routes 20, 32 and 181, less than two miles from Exit 63 of the Massachusetts Turnpike (I-90), roughly 12 miles east of Springfield and 30 miles west of Worcester. The Hampden County multifamily submarket is running a 2.3% vacancy rate with rents still climbing and no new market-rate supply under construction - an ideal backdrop for family-sized rental product like this. The property address is available to qualified buyers upon execution of a confidentiality agreement.

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INVESTMENT HIGHLIGHTS

DOUBLE-DIGIT YIELD ON IN-PLACE INCOME

The property is generating income today. Gross scheduled rent of $286,128, underwritten conservatively with a 5% vacancy and credit allowance, a full 5% management fee and a 5% replacement reserve, still produces a net operating income of $198,435. At the $2,000,000 asking price that is a 9.9% going-in cap rate - roughly 180 basis points above the prevailing 8.1% market cap rate for Hampden County multifamily.

A NET-STRUCTURE EXPENSE PROFILE

Tenants pay all utilities, including their own heat and hot water. Every apartment is separately metered with its own breaker panel. Hard owner-paid costs total only $46,205: real estate taxes ($24,374), insurance ($11,471), water and sewer ($5,600), trash removal ($3,840), common-area electric ($600) and hot water tank rentals ($320). An owner-operator managing in-house captures meaningful additional yield.

BEDROOM-HEAVY UNIT MIX = OUTSIZED RENT PER DOOR

Eight of the twelve units are four-bedroom apartments of roughly 1,300 SF, renting from $2,000 to $2,400 per month. With 42 total bedrooms, the property captures rent well above the one- and two-bedroom product that dominates this submarket. Family-sized housing in Palmer is scarce and demand for it is deep and durable.

IMMEDIATE UPSIDE AND ANNUAL RESET

One four-bedroom unit is currently available and listed at $2,344 per month, offering day-one income on lease-up. The balance of the rent roll turns on short-term or month-to-month tenancies, allowing a new owner to mark rents to market on a rolling basis. Ownership has renovated units as they turn, with new luxury vinyl plank flooring, refinished hardwood, fresh paint and updated kitchens and baths.

KEY INVESTMENT HIGHLIGHTS

- **Sale Price:** $2,000,000 | $166,667 per unit
- **Cap Rate:** 9.9% on net operating income of $198,435
- **Unit Mix:** 8 x 4BR, 2 x 3BR, 2 x 2BR - 42 bedrooms
- **Gross Scheduled Rent:** $286,128 annually
- **Hard Owner Expenses:** $46,205 - only 16.1% of gross rent
- **Utilities:** Tenants pay all utilities, heat and hot water
- **Parking:** Approx. 25 off-street spaces on-site
- **Flood Zone:** Zone X - outside the 500-year floodplain
- **Land:** 1.01 acres with 200 ft of road frontage

COMPETITIVE ADVANTAGES

- **Market Fundamentals -** Hampden County multifamily vacancy of 2.3%, well below the 8.4% national rate.
- **Rent Growth -** Submarket asking rents up 2.9% year over year with no new supply under construction.
- **Highway Access -** Under two miles to Exit 63 of the Massachusetts Turnpike (I-90).
- **Scarcity of Product -** Only 42 multifamily trades countywide in the past year; inventory is tight.
- **Irreplaceable Density -** Grandfathered 12-unit density that could not be built under current zoning.

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FINANCIAL OVERVIEW

UNIT MIX

UNIT TYPE	UNITS	APPROX SF	MONTHLY RENT RANGE	ANNUAL RENT
4 Bedroom / 1 Bath	8	1,300	$2,000 - $2,400	$219,528
3 Bedroom / 1 Bath	2	1,075	$1,150 - $1,350	$30,000
2 Bedroom / 1 Bath	2	850	$1,400 - $1,650	$36,600
TOTAL	**12**	**16,631 GBA**	**42 Bedrooms**	**$286,128**

PRO FORMA

Gross Scheduled Rent	$286,128
Less: Vacancy & Credit Loss (5%)	($14,306)
EFFECTIVE GROSS INCOME	**$271,822**
Real Estate Taxes (FY2026)	($24,374)
Insurance	($11,471)
Water & Sewer	($5,600)
Trash Removal	($3,840)
Common Area Electric	($600)
Hot Water Tank Rentals	($320)
Heat & Hot Water (tenant paid)	N/A
Management (5% of EGI)	($13,591)
Replacement Reserves (5% of EGI)	($13,591)
TOTAL OPERATING EXPENSES	**($73,387)**
NET OPERATING INCOME	**$198,435**

INVESTMENT METRICS

Asking Price	$2,000,000
Price / Unit	$166,667
Price / Bedroom	$47,619
Price / SF (GBA)	$120.26
Going-In Cap Rate	9.9%
Market Cap Rate (Hampden Cty)	8.1%
Gross Rent Multiplier	6.99x
Operating Expense Ratio	27.0% of EGI
Avg. Rent / Unit (in place)	$1,955 per month
Avg. Rent / Bedroom	$568 per month
Utility Structure	Tenants pay all utilities

Operating expenses are owner-reported; management and replacement reserves are underwritten at 5% of effective gross income each. Buyer to verify all figures independently.

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VALUE-ADD OPPORTUNITY

IN-PLACE vs. STABILIZED PRO FORMA

LINE ITEM	IN-PLACE (YEAR 1)	STABILIZED (YEAR 2)
Gross Scheduled Rent	$286,128	$312,672
RUBS Recapture (water/sewer/trash)	-	$9,440
Laundry Income ($50/unit/mo)	-	$7,200
POTENTIAL GROSS INCOME	**$286,128**	**$329,312**
Less: Vacancy & Credit Loss (5%)	($14,306)	($16,466)
EFFECTIVE GROSS INCOME	**$271,822**	**$312,846**
Hard Owner Expenses	($46,205)	($46,205)
Management (5% of EGI)	($13,591)	($15,642)
Replacement Reserves (5% of EGI)	($13,591)	($15,642)
TOTAL OPERATING EXPENSES	**($73,387)**	**($77,489)**
NET OPERATING INCOME	**$198,435**	**$235,357**
CAP RATE AT $2,000,000	**9.9%**	**11.8%**

Stabilized rents marked to the highest rents already achieved in place at the property: $2,344 (4BR), $2,002 (3BR listing price) and $1,650 (2BR). No speculative premium applied.

THE VALUE-ADD LEVERS

- **Mark-to-Market Rents:** Nearly the entire rent roll is month-to-month, allowing rents to be reset to proven in-building levels within months, not years. Two legacy tenancies sit far below market.
- **RUBS Utility Recapture:** Billing back water, sewer and trash ($9,440/yr) is standard practice in Massachusetts month-to-month tenancies and drops straight to NOI.
- **Laundry Income:** All units have washer/dryer hookups; owner-supplied machine rentals at $50/unit/month add $7,200 annually.
- **Additional Upside Not Underwritten:** Pet rent, basement storage lockers, shed rentals and cost segregation for accelerated depreciation.

THE RESULT

A disciplined 12-24 month business plan lifts NOI from $198,435 to $235,357 - an 11.8% stabilized yield on cost at the asking price, with every assumption anchored to rents and charges already achieved at the property.

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RENT ROLL

BUILDING	UNIT	BEDS/BATH	APPROX SF	LEASE START	LEASE END	MONTHLY RENT	ANNUAL RENT
Building A (4-unit)	A-1L	4 / 1	1,300	6/1/2025	5/31/2026	$2,300	$27,600
Building A (4-unit)	A-1R	4 / 1	1,300	**AVAILABLE**	Listed at Market	$2,344	$28,128
Building A (4-unit)	A-2L	4 / 1	1,300	1/1/2024	Month-to-Month	$2,000	$24,000
Building A (4-unit)	A-2R	4 / 1	1,300	3/17/2026	Month-to-Month	$2,300	$27,600
Building B (4-unit)	B-1L	4 / 1	1,300	12/1/2024	Month-to-Month	$2,400	$28,800
Building B (4-unit)	B-1R	4 / 1	1,300	12/15/2023	Month-to-Month	$2,250	$27,000
Building B (4-unit)	B-2L	4 / 1	1,300	7/1/2024	Month-to-Month	$2,400	$28,800
Building B (4-unit)	B-2R	4 / 1	1,300	3/17/2026	2/28/2027	$2,300	$27,600
Building C (4-unit)	C-1	3 / 1	1,075	6/10/2006	Month-to-Month	$1,150	$13,800
Building C (4-unit)	C-2	3 / 1	1,075	8/1/2023	Month-to-Month	$1,350	$16,200
Building C (4-unit)	C-3	2 / 1	850	12/1/2025	Month-to-Month	$1,650	$19,800
Building C (4-unit)	C-4	2 / 1	850	12/1/2022	Month-to-Month	$1,400	$16,800
TOTAL - 12 UNITS		**42 Beds**	**16,631 SF**			**$23,844**	**$286,128**

IN-PLACE MONTHLY RENT (11 LEASED UNITS): $21,500 | AVAILABLE UNIT LISTED AT $2,344/MO | AVG. IN-PLACE RENT: $1,955/UNIT

Rent roll reflects current leases and month-to-month tenancies; building identifiers have been anonymized for confidentiality. The property address, tenant names, ledgers and lease documents are available to qualified buyers upon execution of a confidentiality agreement. The available four-bedroom unit is currently listed at $2,344 per month, delivering additional income on lease-up.

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PROPERTY PHOTOS

THREE TWO-STORY WOOD-FRAME BUILDINGS | 16,631 SF GBA | 1.01 ACRES | ~25 OFF-STREET PARKING SPACES

Vinyl-sided exteriors with asphalt shingle roofs, double-hung replacement windows, covered front entries and an open front porch. The site is accessed via two curb cuts from the main road, leading to parking at the rear and sides of the buildings, with 200 feet of road frontage.

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RENOVATED UNIT INTERIORS

UNIT TURNOVER PROGRAM | NEW LVP FLOORING | REFINISHED HARDWOOD | UPDATED KITCHENS & BATHS

Ownership renovates units as they turn. Recent scope has included new luxury vinyl plank flooring, refinished original hardwood, fresh paint throughout, new kitchen cabinetry and countertops, and updated bathrooms - supporting the property's strong rents and giving a new owner a proven turnover playbook to continue marking rents to market.

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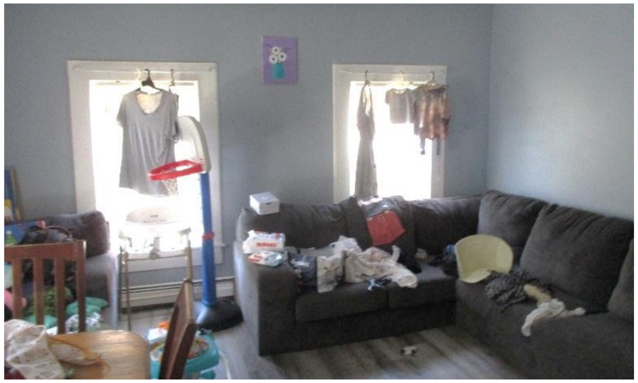
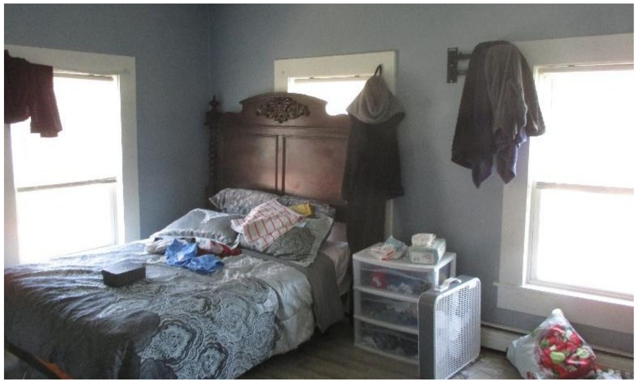
IN-PLACE UNIT INTERIORS





42 BEDROOMS | TENANTS PAY ALL UTILITIES | SEPARATELY METERED | IN-UNIT LAUNDRY HOOKUPS

Typical units feature a kitchen, living room, full bath and two, three or four bedrooms; most include large pantries and washer/dryer hookups. Kitchens are finished with wall and base cabinetry, laminate counters, electric ranges and refrigerators. Each building carries a 200-amp service with an individual breaker panel and meter for every apartment.

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PROPERTY DETAILS

SITE & IMPROVEMENTS

Location	Palmer, MA - address provided under NDA
Land Area	1.01 Acres (43,996 SF) with 200 ft of frontage
Buildings	3 two-story wood-frame structures over full basements
Gross Building Area	16,631 SF (6,175 / 6,175 / 4,281 SF)
Unit Mix	8 x 4BR, 2 x 3BR, 2 x 2BR - 42 bedrooms
Roof	Asphalt shingle
Exterior	Vinyl siding; metal gutters and downspouts
Parking	Approx. 25 off-street spaces (2.08 per unit)
Utilities	Municipal water & sewer; electricity; propane gas

MECHANICALS & SYSTEMS

Heat	Tenant-paid; forced warm air and propane-fired systems
Hot Water	12 individual 40-gallon electric hot water tanks
Electrical	200-amp service per building; breaker panel per unit
Metering	Units separately metered; owner meter per building
Life Safety	Hardwired hallway smoke detection and emergency lighting

OWNER EXPENSES & TAXES

Real Estate Taxes (FY2026)	$24,374
Insurance	$11,471
Water & Sewer	$5,600
Trash Removal	$3,840
Common Area Electric	$600
Hot Water Tank Rentals	$320
Heat & Hot Water	Tenant paid - N/A to owner
Hard Owner Expenses	$46,205
Management (5%)	$13,591
Replacement Reserves (5%)	$13,591
Total Underwritten Expenses	$73,387
Zoning District	Town Residential
Flood Zone	Zone X - outside 500-year floodplain

MARKET SNAPSHOT - HAMPDEN COUNTY MULTIFAMILY

- **Vacancy:** 2.3% submarket vacancy, down 60 bps year over year.
- **Rent Growth:** Asking rents up 2.9% year over year and still climbing.
- **Supply:** No market-rate multifamily units under construction countywide.
- **Cap Rates:** Market average of 8.1% - this offering prices at 9.9%.

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WHY PALMER

Palmer is located in eastern Hampden County in Western Massachusetts, approximately 12 miles east of Springfield and 30 miles west of Worcester. The town sits at the junction of Routes 20, 32 and 181 and has its own interchange - Exit 63 - on the Massachusetts Turnpike (I-90), placing the property within two miles of the region's primary east-west corridor.

LOCAL ECONOMY

The property is located minutes from Palmer's Central Business District in an established residential corridor. Baystate Wing Hospital - one of the town's three largest employers alongside Camp Ramah of New England and Big Y World Class Markets - anchors the local economy, and the surrounding neighborhood mixes residential with local commercial uses serving town residents.

DEMAND DRIVERS

- Two miles to Massachusetts Turnpike Exit 63
- Single-family average sale price of $373,418 in 2025, up 60% since 2020, pushing households toward rental product
- Palmer workforce of roughly 8,000, with 85% commuting out of town
- Scarce family-sized rental supply across the submarket

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