CONFIDENTIAL INVESTMENT OFFERING MEMORANDUM

EXCLUSIVE MULTIFAMILY OFFERING

34-UNIT MULTIFAMILY RESIDENTIAL PORTFOLIO

HAWLEY, PENNSYLVANIA | WAYNE COUNTY | POCONO MOUNTAINS

LAKE WALLENPAUPACK REGION

TOTAL UNITS	PROPERTY TYPE	OCCUPANCY	OWNER'S NOI
34	Multifamily / Apartments	91.2%	$444,400

UNIT MIX	MONTHLY GSR	ANNUAL GSR	ASKING PRICE
15 × 1BR | 18 × 2BR | 1 × 3BR	$49,495 / Month	$593,940	$6,000,000

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Offering Date: March 2026

CONFIDENTIALITY & DISCLAIMER

IMPORTANT NOTICE — PLEASE READ CAREFULLY BEFORE PROCEEDING

This Confidential Offering Memorandum ("OM" or "Memorandum") has been prepared by the listing broker for informational purposes only and is being furnished to prospective purchasers on a strictly confidential basis. By accepting this Memorandum, the recipient agrees that (i) all information contained herein will be kept strictly confidential and will not be disclosed to any third party without the prior written consent of the Seller or listing broker, and (ii) the Memorandum will be used solely for evaluating a potential acquisition of the property described herein.

The information contained in this Memorandum has been obtained from sources believed to be reliable; however, neither the Seller nor the listing broker makes any representation or warranty, express or implied, as to the accuracy or completeness of such information. Prospective purchasers are advised to independently verify all information, including but not limited to financial figures, unit counts, square footage, lease terms, rental rates, operating expenses, and market data.

The Seller reserves the right to withdraw the property from the market at any time without prior notice and to reject any and all offers submitted. The terms set forth in this Memorandum are subject to change without notice and shall not be deemed an offer to sell, or a solicitation of an offer to buy, the property described herein.

Financial Projections Disclaimer

All projections, pro forma statements, and forward-looking financial information are based upon assumptions and estimates which, while considered reasonable, are inherently uncertain and speculative. Actual results may differ materially from projections. The owner's presented Net Operating Income ("NOI") of $444,400 is calculated on a gross potential income basis without a vacancy deduction. Prospective buyers should perform independent underwriting using appropriate vacancy factors and expense assumptions.

Note Regarding 2025 Expense Data

Operating expenses presented herein reflect actual 2025 costs as reported by the seller. The seller represents that: (i) the 2025-2026 heating season was unusually cold, resulting in above-normal utility costs; and (ii) tenants at 155 School Ave. now pay their own heat and electric, which will reduce future owner-paid utility expenses. Buyers are encouraged to normalize utility expenses accordingly in their underwriting.

EXECUTIVE SUMMARY

Presented exclusively for qualified investors, this offering represents a rare opportunity to acquire a 34-unit multifamily residential portfolio located in Hawley, Pennsylvania, the commercial hub of Wayne County and gateway community to the Pocono Mountains region. The portfolio comprises two distinct residential components: Eagle Village Apartments, a concentrated multifamily complex at 516, 520, and 522 Spring St; and The Heights at Bellemonte / School Avenue, a collection of residential apartment buildings at 141–147 Bellemonte Avenue and 155 School Avenue.

Together, these properties generate $593,940 in annual gross scheduled rent from 34 well-maintained residential units, supplemented by $4,200 in annual laundry income, for a total Gross Potential Income of $598,140. The portfolio is currently 91.2% occupied (31 of 34 units), with three vacant two-bedroom units representing immediate lease-up upside. The seller reports an owner's NOI of approximately $444,400, reflecting a lean expense ratio of 25.7%, significantly below the multifamily industry average of 35%–50%, driven by the portfolio's efficient cost structure and increasing tenant utility responsibility.

The portfolio offers a compelling combination of current cash flow, near-term value-add opportunity, and favorable positioning in a growing Pennsylvania market. With the Pocono Mountains region attracting continued residential demand from remote workers, retirees, and tourism-adjacent renters, Hawley's majority-renter community supports a stable tenant base for sustained investment performance.

INVESTMENT SUMMARY SNAPSHOT	
Portfolio Name	Eagle Village Apartments & The Heights at Bellemonte / School Avenue
Location	Hawley, Pennsylvania 18428 (Wayne County)
Total Units	34 Confirmed Units (15 × 1BR | 18 × 2BR | 1 × 3BR)
Gross Scheduled Rent	$49,495/month | $593,940/year
Laundry Income	$350/month | $4,200/year
Gross Potential Income	$598,140/year
Current Occupancy	91.2% (31 of 34 units occupied as of listing date)
2025 Operating Expenses	$153,737.64 (25.7% expense ratio on GPI)
Owner's NOI	$444,400 (GPI basis — see Income Analysis)
Stabilized NOI (5% vac.)	$414,495
Asking Price	$6,000,000
Implied Cap Rate	7.41% (Owner's NOI) | 6.91% (Stabilized NOI)
Gross Rent Multiplier	10.10x ($6,000,000 ÷ $593,940 GSR)
Price Per Unit	$176,471 ($6,000,000 ÷ 34 units)

PORTFOLIO OVERVIEW

Eagle Village Apartments — 516, 520 & 522 Eagle Village Drive, Hawley, PA

Eagle Village Apartments comprises 21 residential units across three adjacent addresses. The flagship building at 522 Spring St is a multi-story apartment building containing 15 units spanning four floors, offering a mix of one-bedroom, two-bedroom, and one three-bedroom apartment. The 516 and 520 addresses contribute four and two one-bedroom units, respectively. The Eagle Village portfolio features total rentable area of approximately 15,383 square feet, with individual unit sizes ranging from 370 to 1,438 square feet.

Unit Type	Count	Sq Ft Range	Rent Range	Avg. Rent / Mo
1 Bedroom / 1 Bath	15	370 – 790 sq ft	$675 – $1,600	$1,212
2 Bedroom / 1 Bath	5	952 – 1,014 sq ft	$1,590 – $1,700	$1,648
3 Bedroom / 1 Bath	1	1,438 sq ft	$1,700	$1,700
TOTAL / AVERAGE	**21**	**370 – 1,438 sq ft**	**$675 – $1,700**	**$1,339**

The Heights at Bellemonte / School Avenue — Hawley, PA

The Heights consists of 13 residential units across five residential buildings at 141, 143, 145, and 147 Bellemonte Avenue and 155 School Avenue. All 13 units are two-bedroom / one-bath configurations. Monthly rents range from $1,400 to $1,890, with an average of $1,646/month. Two units are currently vacant (147 Bellemonte Apt 2 and 155 School Ave. Apt 2), representing straightforward lease-up potential.

Building	Units	Type	Rent Range	Monthly GSR
141 Bellemonte Ave.	4	2BR/1BA	$1,650 – $1,700	$6,750
143 Bellemonte Ave.	1	2BR/1BA	$1,890	$1,890
145 Bellemonte Ave.	3	2BR/1BA	$1,400 – $1,640	$4,640
147 Bellemonte Ave.	3	2BR/1BA	$1,600 – $1,650	$4,850
155 School Ave.	2	2BR/1BA	$1,600 – $1,650	$3,250
TOTAL	**13**	**2BR/1BA**	**$1,400 – $1,890**	**$21,380**

RENT ROLL — EAGLE VILLAGE APARTMENTS

21 units | 516, 520 & 522 Spring St, Hawley, PA 18428

UNIT	BD/BA	SQ FT	MONTHLY RENT	STATUS
516-1	1BR/1BA	527	$1,190	Occupied
516-2	1BR/1BA	527	$1,090	Occupied
516-3	1BR/1BA	527	$1,100	Occupied
516-4	1BR/1BA	527	$1,200	Occupied
516 Subtotal (4 units)		2,108 sq ft	**$3,480/mo**	**4 / 4 Occupied**
520-1	1BR/1BA	790	$1,600	Occupied
520-2	1BR/1BA	790	$1,590	Occupied
520 Subtotal (2 units)		1,580 sq ft	**$3,190/mo**	**2 / 2 Occupied**
522-101	1BR/1BA	658	$1,300	Occupied
522-102	1BR/1BA	575	$1,250	Occupied
522-103	1BR/1BA	655	$1,250	Occupied
522-104	1BR/1BA	684	$1,000	Occupied
522-201	2BR/1BA	1,014	$1,650	Occupied
522-202	2BR/1BA	970	$1,590	Occupied
522-203	2BR/1BA	995	$1,700	Vacant
522-204	2BR/1BA	952	$1,700	Occupied
522-301	1BR/1BA	507	$1,250	Occupied
522-302 *	1BR/1BA	574	$675	Occupied
522-303	1BR/1BA	640	$1,190	Occupied
522-304	1BR/1BA	681	$1,300	Occupied
522-305	1BR/1BA	370	$1,190	Occupied
522-306	2BR/1BA	982	$1,600	Occupied
522-401	3BR/1BA	1,438	$1,700	Occupied
522 Subtotal (15 units)		11,695 sq ft	**$20,345/mo**	**14 / 15 Occupied**
EAGLE VILLAGE TOTAL (21 UNITS)		**15,383 sq ft**	**$28,115/mo**	**20 / 21 Occupied**

* Unit 522-302 is currently leased at $675/month, which is significantly below prevailing 1BR portfolio rents of $1,190–$1,300/month. Mark-to-market at lease renewal represents an estimated $6,300–$7,500 in additional annual revenue.

RENT ROLL — THE HEIGHTS AT BELLEMONTE / SCHOOL AVENUE

13 units | 141–147 Bellemonte Ave. & 155 School Ave., Hawley, PA 18428

UNIT	BD/BA	MONTHLY RENT	STATUS
141 Bellemonte — Apt A	2BR/1BA	$1,700	Occupied
141 Bellemonte — Apt B	2BR/1BA	$1,700	Occupied
141 Bellemonte — Apt C	2BR/1BA	$1,700	Occupied
141 Bellemonte — Apt D	2BR/1BA	$1,650	Occupied
141 Bellemonte Subtotal (4 units)	4 × 2BR/1BA	**$6,750/mo**	**4 / 4 Occupied**
143 Bellemonte	2BR/1BA	$1,890	Occupied
143 Bellemonte Subtotal (1 unit)	1 × 2BR/1BA	**$1,890/mo**	**1 / 1 Occupied**
145 Bellemonte — Apt 1	2BR/1BA	$1,600	Occupied
145 Bellemonte — Apt 2	2BR/1BA	$1,640	Occupied
145 Bellemonte — Apt 3	2BR/1BA	$1,400	Occupied
145 Bellemonte Subtotal (3 units)	3 × 2BR/1BA	**$4,640/mo**	**3 / 3 Occupied**
147 Bellemonte — Apt 1	2BR/1BA	$1,650	Occupied
147 Bellemonte — Apt 2 †	2BR/1BA	$1,600	Vacant
147 Bellemonte — Apt 3	2BR/1BA	$1,600	Occupied
147 Bellemonte Subtotal (3 units)	3 × 2BR/1BA	**$4,850/mo**	**2 / 3 Occupied**
155 School Ave. — Apt 1 ‡	2BR/1BA	$1,650	Occupied
155 School Ave. — Apt 2 ‡	2BR/1BA	$1,600	Vacant
155 School Ave. Subtotal (2 units)	2 × 2BR/1BA	**$3,250/mo**	**1 / 2 Occupied**
THE HEIGHTS TOTAL (13 UNITS)	**13 × 2BR/1BA**	**$21,380/mo**	**11 / 13 Occupied**

† 147 Bellemonte Apt 2 — currently vacant; available for immediate lease-up.
‡ 155 School Ave. tenants pay their own heat and electric, reducing owner utility expenses. Apt 2 is currently vacant.

Portfolio Rent Roll Summary

PROPERTY GROUP	UNITS	OCC.	VAC.	OCC. RATE	MONTHLY GSR
Eagle Village Apartments	21	20	1	95.2%	$28,115
The Heights — Bellemonte / School Ave.	13	11	2	84.6%	$21,380
PORTFOLIO TOTAL	**34**	**31**	**3**	**91.2%**	**$49,495**

INCOME ANALYSIS

The following analysis presents the portfolio's revenue on a gross potential basis (100% occupancy at current listed rents) as well as current and stabilized effective gross income figures. The owner's NOI of $444,400 is derived from Gross Potential Income less 2025 actual operating expenses, with no vacancy deduction applied.

INCOME LINE ITEM	ANNUAL	MONTHLY
Eagle Village Apts — Gross Scheduled Rent	$337,380	$28,115
The Heights — Gross Scheduled Rent	$256,560	$21,380
GROSS SCHEDULED RENT (GSR)	**$593,940**	**$49,495**
Laundry Income	$4,200	$350
Storage Unit Income (Unrealized — see note below)	[Not in Current Pro Forma]	—
GROSS POTENTIAL INCOME (GPI)	**$598,140**	**$49,845**
Current Vacancy — 3 of 34 units (8.8%)	($58,800)	($4,900)
CURRENT EFFECTIVE GROSS INCOME (EGI)	**$539,340**	**$44,945**
Stabilized Vacancy Allowance (5.0% of GPI)	($29,907)	($2,493)
STABILIZED EFFECTIVE GROSS INCOME	**$568,233**	**$47,353**

Vacancy Analysis

The portfolio's three current vacancies are all two-bedroom units: 522-203 at Eagle Village ($1,700/mo) and 147 Bellemonte Apt 2 ($1,600/mo) and 155 School Ave. Apt 2 ($1,600/mo) at The Heights. These three vacancies represent $4,900/month or $58,800/year in uncollected revenue. Lease-up of all three units at listed rates would bring portfolio occupancy to 100% and gross scheduled rent to $656,940 annually (including laundry).Contact Agent for updates regarding current occupancy.

Additionally, unit 522-302 at Eagle Village is currently rented at $675/month — approximately $515 below the next-lowest 1BR in the portfolio ($1,190). Upon lease renewal in 2028 or re-tenanting at market rate, this single unit represents $6,180–$7,500 in additional annual revenue with no capital investment required.

OPERATING EXPENSES — 2025 ACTUAL

The table below reflects actual operating expenses paid by the owner during calendar year 2025. Two seller representations are material to buyer underwriting: (1) 2025 utility expenses are elevated due to an abnormally cold heating season and are expected to normalize in subsequent years; and (2) tenants at 155 School Ave. now independently pay heat and electric, permanently reducing the owner's utility obligation on that building.

EXPENSE CATEGORY	2025 ACTUAL	% OF TOTAL OPEX
Real Estate Taxes	$40,087	26.1%
Insurance	$26,888	17.5%
Sewer	$26,026	16.9%
Heat / Gas	$21,994	14.3%
Water	$20,147	13.1%
Electric (Common Areas & Vacant Units)	$7,652	5.0%
Pest Control	$5,648	3.7%
Garbage / Waste Removal	$5,294	3.4%
TOTAL OPERATING EXPENSES (2025)	**$153,738**	**100.0%**

Expense Ratio Benchmarks

METRIC	THIS PORTFOLIO	INDUSTRY BENCHMARK
Total Operating Expenses (Annual)	**$153,738**	*N/A*
Expense Ratio (on GPI)	**25.7%**	*35% – 50%*
Expense Ratio (on Current EGI)	**28.5%**	*35% – 50%*
Expenses Per Unit (Annual)	**$4,522**	*$5,000 – $8,000+*
Expenses Per Unit (Monthly)	**$377**	*$417 – $667+*

Note: Buyer underwriting should incorporate additional expense categories not reflected in this historical schedule, including property management fees (typically 8–10% of EGI), replacement reserves ($200–$400/unit/year), and any deferred maintenance identified during due diligence.

FINANCIAL SUMMARY & NOI ANALYSIS

The table below presents Net Operating Income under three scenarios: the owner's basis (full GPI, no vacancy deduction, consistent with seller-provided figures); the current as-is basis (actual vacancies deducted); and a stabilized basis (standard 5% vacancy allowance).

	OWNER'S BASIS	CURRENT (AS-IS)	STABILIZED (5% VAC.)
Gross Scheduled Rent	$593,940	$593,940	$593,940
Laundry Income	$4,200	$4,200	$4,200
Gross Potential Income	$598,140	$598,140	$598,140
Less: Vacancy	—	($58,800)	($29,907)
Effective Gross Income	$598,140	$539,340	$568,233
Less: Operating Expenses	($153,738)	($153,738)	($153,738)
NET OPERATING INCOME (NOI)	**$444,402**	**$385,602**	**$414,495**

Owner's Basis NOI of $444,400 is consistent with seller-provided figures ($598,140 GPI less $153,738 expenses) and represents the upper bound assuming full occupancy at all currently listed rents. Stabilized NOI of $414,495 is the recommended buyer underwriting baseline.

Pro Forma Value-Add Upside

VALUE-ADD OPPORTUNITY	EST. ANNUAL UPSIDE
Lease-up of 3 vacant 2BR units (at listed rates)	+ $58,800
Mark-to-market: Unit 522-302 ($675 → ~$1,200/mo)	+ $6,300 – $7,500
Utility savings — 155 School Ave. tenant responsibility	Est. $5,000 – $10,000/yr
Utility normalization (cold-season 2025 overage)	Est. $3,000 – $6,000/yr
Storage Unit Rental Income (4–8 units @ $50–$75/unit/mo — see note)	+ $2,400 – $7,200/yr
ESTIMATED TOTAL ANNUAL PRO FORMA UPSIDE	**+ ~$75,000 – $90,000**

Storage Unit Income Note: The portfolio includes 4 to 8 existing storage units or storage areas across the Eagle Village and Bellemonte / School Avenue properties that are not currently being rented as dedicated storage. At market storage rates of $50–$75 per unit per month, these spaces represent $2,400–$7,200 in additional annual income. This income stream has not been incorporated into the current rent roll or operating pro forma and should be considered wholly incremental to the portfolio's presented NOI. Implementation requires no capital outlay beyond basic lease documentation. Buyer due diligence should confirm the exact number and condition of rentable storage areas during property inspection.

KEY INVESTMENT METRICS

Primary metrics are calculated using the listed asking price of $6,000,000, owner's basis NOI of $444,400, and annual gross scheduled rent of $593,940. Asking price is required to finalize cap rate, GRM, and per-unit values. Indicative figures at five price points are provided for buyer reference.

METRIC	VALUE	NOTES
Asking Price	**$6,000,000**	*Listed asking price*
Total Units	**34**	*21 Eagle Village | 13 The Heights*
Unit Mix	**15×1BR | 18×2BR | 1×3BR**	*44% / 53% / 3%*
Current Occupancy	**91.2%**	*31 of 34 units occupied*
Monthly Gross Scheduled Rent	**$49,495**	*All 34 units at current listed rents*
Annual Gross Scheduled Rent	**$593,940**	*100% occupancy basis*
Annual Other Income (Laundry)	**$4,200**	*$350/month (cash)*
Gross Potential Income (GPI)	**$598,140**	*GSR + laundry income*
2025 Operating Expenses	**$153,738**	*Actual; see Expense Schedule*
Expense Ratio	**25.7%**	*% of GPI; industry avg. 35%–50%*
Owner's NOI	**$444,400**	*GPI basis — no vacancy deduction*
Stabilized NOI (5% vacancy)	**$414,495**	*Recommended buyer underwriting figure*
Cap Rate (Owner's NOI)	**7.41%**	*$444,400 ÷ $6,000,000*
Cap Rate (Stabilized NOI)	**6.91%**	*$414,495 ÷ $6,000,000*
Gross Rent Multiplier (GRM)	**10.10x**	*$6,000,000 ÷ $593,940 GSR*
Price Per Unit	**$176,471**	*$6,000,000 ÷ 34 units*

Cap Rate Sensitivity — Owner's NOI ($444,400) vs. Stabilized NOI ($414,495)

ASKING PRICE	CAP (OWNER'S NOI)	CAP (STABILIZED NOI)	GRM	PRICE / UNIT	PRICE / SQ FT*
$4,000,000	11.11%	*10.36%*	6.73x	$117,647	~$260
$4,500,000	9.88%	*9.21%*	7.58x	$132,353	~$292
$5,000,000	8.89%	*8.29%*	8.42x	$147,059	~$325
$5,500,000	8.08%	*7.54%*	9.26x	$161,765	~$358
$6,000,000	7.41%	*6.91%*	10.10x	$176,471	~$390

* Price per sq ft calculated on Eagle Village's 15,383 sq ft (est.) only (The Heights sq ft not provided). | Market cap rates for secondary/rural Pennsylvania multifamily: 7.5%–9.5% (2025–2026 data).

INVESTMENT HIGHLIGHTS

1. Immediate, Stabilized Cash Flow in a High-Demand Rental Market

This portfolio delivers $49,495 in monthly gross scheduled rent from 34 well-maintained residential units across two distinct Hawley locations, providing a buyer with substantial, day-one income. At 91.2% current occupancy, this is a performing asset — not a turnaround story. Hawley's renter-majority demographic profile (52.65% of occupied housing stock is renter-occupied, per NeighborhoodScout) underpins durable tenant demand for quality residential rentals throughout the borough.

2. Compelling Value-Add Upside Without Renovation Risk

Three vacant two-bedroom units represent $58,800 in fully recoverable annual revenue through straightforward lease-up — no capital improvements required. Unit 522-302 is currently leased at $675/month, approximately $515–$625 below prevailing 1BR rents in the same building. A single lease renewal at market creates $6,300+ in additional annual income. Combined, these two opportunities represent over $65,000 in annual NOI growth through operational execution alone.

3. Exceptionally Lean 26.3% Expense Ratio

The portfolio's 2025 expense ratio of 25.7% on gross potential income runs materially below the multifamily industry benchmark of 35%–50%, underscoring efficient operations and a favorable cost structure. This ratio is expected to improve further as tenant utility responsibility expands across the portfolio, particularly following the transition at 155 School Ave. where residents now independently bear heat and electric costs.

4. Utility Expense Improvement Already in Progress

The seller's representations confirm two near-term expense tailwinds: the 2025 utility figures are elevated by an unusually cold heating season and are expected to normalize, and the transition of 155 School Ave. tenants to resident-paid utilities removes a recurring owner cost. The 2025 heat and electric line items totaling $29,647 represent the most meaningful opportunity for expense ratio improvement in the near term. Buyers experienced with utility submetering or RUBS programs may find additional margin expansion opportunities across the broader portfolio.

5. Diversified Unit Mix and Multi-Location Asset Base

The portfolio's 34 units span three bedroom types (15 one-bedrooms, 18 two-bedrooms, one three-bedroom) and are distributed across two distinct neighborhood locations within Hawley. This geographic and product-type diversification mitigates concentration risk and provides a buyer with flexibility to manage, refinance, or potentially exit each component independently over time.

6. Pocono Mountains Region — Sustained Residential Growth

Hawley serves as the commercial and civic anchor of Wayne County and sits at the gateway to Lake Wallenpaupack and the greater Pocono Mountains region — one of Pennsylvania's most actively growing residential and recreational corridors. The region has experienced accelerated in-migration of remote workers, second-home buyers, and long-term renters priced out of the New York and Philadelphia metropolitan areas. This demographic tailwind continues to support workforce housing demand of precisely the type this portfolio supplies.

7. Clean, Institutional-Quality Income Documentation

With a verified 34-unit rent roll, a complete 2025 operating expense schedule, and clearly identified upside opportunities, this offering is presented with the documentation quality that facilitates efficient lender underwriting

and buyer due diligence. The financial data is organized to support direct input into standard acquisition models, enabling qualified buyers to complete underwriting with minimal friction.

8. Additional Income Potential — Storage Unit Rentals

The portfolio includes 4 to 8 existing storage units or storage areas across the Eagle Village and Bellemonte / School Avenue properties that are not currently being offered as dedicated rental storage. At prevailing self-storage market rates of $50–$75 per unit per month, these spaces represent $2,400–$7,200 in additional annual income — entirely incremental to the portfolio's current rent roll and operating pro forma. This income stream requires no capital investment beyond basic lease documentation and can be activated by the incoming buyer at or shortly after closing. As a pure add-on revenue source not yet incorporated into the seller's historical NOI, storage unit income provides a buyer with a measurable, day-one opportunity to enhance portfolio yield without impacting residential tenant operations. Buyer due diligence should confirm the exact number, configuration, and condition of rentable storage areas during property inspection.

MARKET OVERVIEW — HAWLEY, PA & POCONO REGION

Market data provided for informational purposes. All figures are sourced from publicly available research. Buyers are encouraged to supplement this overview with independent market analysis.

Hawley, Pennsylvania — Community Profile

INDICATOR	DATA
Municipality	Hawley Borough, Wayne County, PA
Region	Pocono Mountains, Northeastern Pennsylvania
Population (est.)	~1,223 residents
Total Housing Units	~565 units
Owner-Occupied	47.35%
Renter-Occupied	52.65% (majority-renter community)
Median Home Value	$299,266
12-Month Appreciation	+3.71% (annualized recent quarter: +8.85%)
Broad Market Vacancy Rate	17.03% (see note below)
Primary Housing Stock Age	Pre-1939 construction (57.86% of units)

Note: The 17.03% broad market vacancy rate reflects seasonal vacation homes, second-home properties, and long-term vacant units across Wayne County, which is common in Pocono-area municipalities with significant recreational housing stock. This figure is not comparable to the operational vacancy of this portfolio (currently 9.1% with active lease-up underway).

Pennsylvania & National Multifamily Fundamentals (2025–2026)

Multiple structural forces continue to support multifamily rental demand at both the national and Pennsylvania state level. The monthly mortgage payment on a median-priced U.S. home exceeds average apartment rent by approximately $1,200, and only about 28% of U.S. households qualify for a median-priced home mortgage (Freddie Mac, 2025), keeping millions of qualified renters in the rental market. National multifamily vacancy fell 130 basis points from its early 2024 peak to approximately 4.6% by Q3 2025, and a contracting new construction pipeline is expected to support further stabilization in 2026.

Pennsylvania's residential market reflects these national trends with notable strength in secondary markets: the statewide median sale price has risen to approximately $287,000 (up 17.14% year-over-year), and suburban and rural communities in the Pocono region are attracting remote workers and families seeking quality housing at below-metropolitan costs. This in-migration directly supports rental demand for the workforce housing product this portfolio represents.

Pennsylvania Multifamily Cap Rate Environment (2025–2026)

MARKET SEGMENT	CAP RATE RANGE (2025–2026)
Class A — Major PA Markets (Philadelphia, Pittsburgh)	4.74% – 5.25%
Class B — Major PA Markets	4.92% – 5.75%
Class C — Major PA Markets	5.38% – 6.50%

MARKET SEGMENT	CAP RATE RANGE (2025–2026)
Secondary / Rural Pennsylvania Markets	**7.00% – 9.50%+**
Pocono / Wayne County Region (Estimated)	**7.50% – 9.50%**

Sources

[1] NeighborhoodScout — Hawley, PA Real Estate Market Data (2025). https://www.neighborhoodscout.com/pa/hawley/real-estate

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[3] Viking Capital LLC — 2025 Multifamily Market Recap and 2026 Investment Outlook. https://vikingcapllc.com/2025-multifamily-market-recap/

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