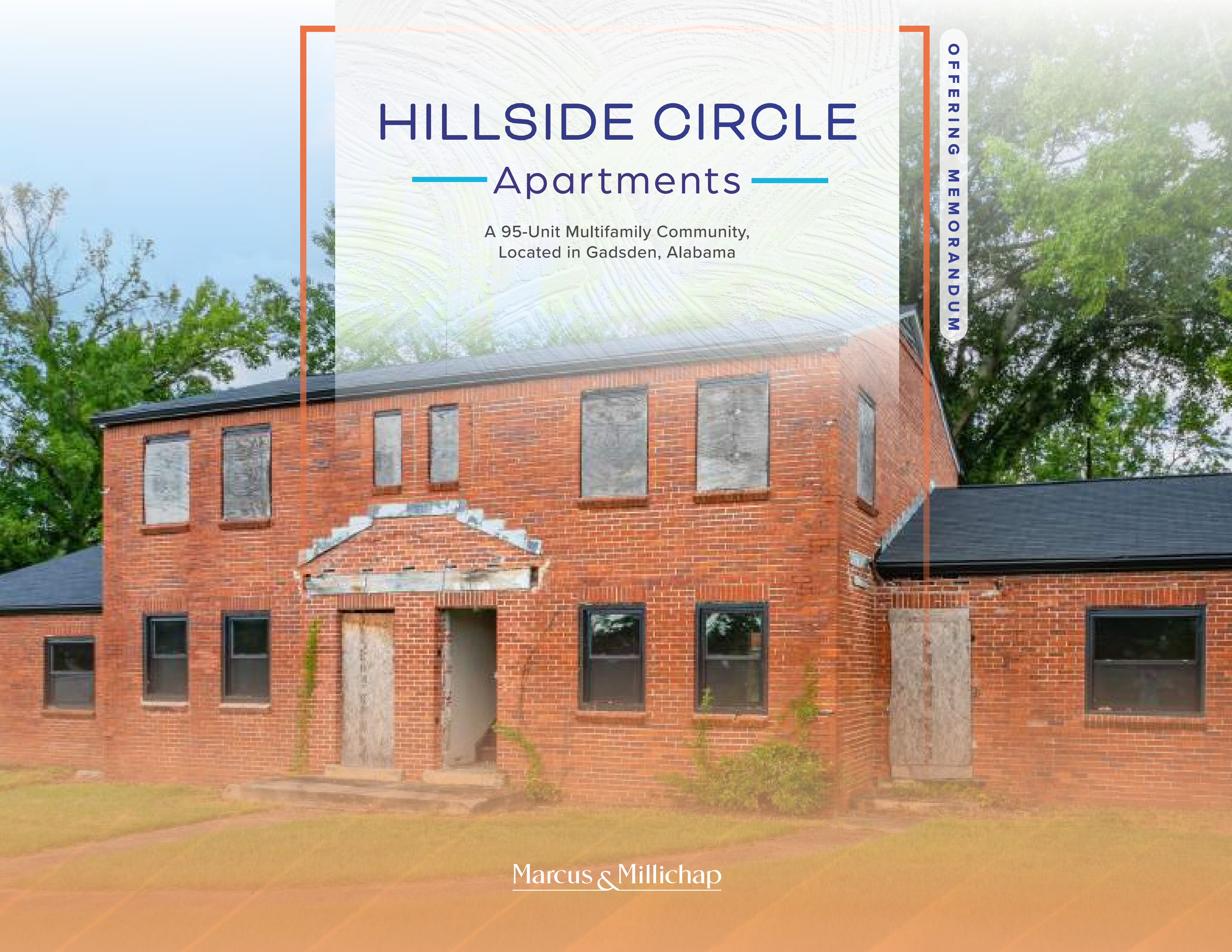
HILLSIDE CIRCLE

Apartments

A 95-Unit Multifamily Community,
Located in Gadsden, Alabama

OFFERING MEMORANDUM



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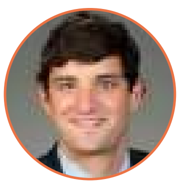

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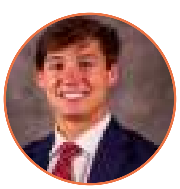

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Section 01

HILLSIDE CIRCLE

Apartments

INVESTMENT OVERVIEW

A FULLY VACANT, 95-UNIT TOWNHOME STYLE MULTIFAMILY PROPERTY

Marcus & Millichap is pleased to present an exceptional redevelopment opportunity at 101 Hillside Circle, Gadsden, Alabama. This fully vacant, 95-unit multifamily asset offers a rare value-add investment with significant upside potential in a supply-constrained market experiencing rising rental demand.

Situated on a spacious site with 33 individual brick buildings totaling approximately 76,000 square feet, the property features townhome-style floor plans that provide a more residential, private living experience compared to traditional apartment layouts. The unit mix includes (30) one-bedroom, one-bathroom units of approximately 600 square feet each, and (65) two-bedroom, one-bathroom units, offering flexibility and broad appeal to future tenants.

With 100% vacancy, the property is primed for a full-scale renovation and repositioning to meet modern renter expectations. The asset presents a clean slate for an experienced operator to implement interior and exterior upgrades, optimize layouts, and capitalize on growing demand for quality workforce housing in the Gadsden area.

Strategically located with convenient access to local employers, schools, retail corridors, and major thoroughfares, 101 Hillside Circle is well-positioned to attract long-term tenants and generate strong stabilized cash flow upon completion of improvements.

This is an ideal investment for developers or value-add investors seeking to transform a well-located, structurally sound property into a high-performing multifamily asset in a rebounding submarket.

With strong rental fundamentals and a flexible unit mix, this property is a blank canvas for repositioning and long-term cash flow.

If you're actively seeking deep value-add opportunities in stable secondary markets, this is one you'll want to review.

HIGHLIGHTS:

- 100% Vacant – Ready for full renovation
- 95 Units | 33 Brick Buildings | 76,000 SF
- Mix: (30) 1BR/1BA @ 600 SF & (65) 2BR/1BA @ 880 SF
- Townhome-Style Layouts – Highly desirable
- Strong rental demand in a limited supply market
- Ideal for value-add investors & developers

Section

02

HILLSIDE CIRCLE

Apartments

UNIT MIX

COUNT	UNIT TYPE	UNIT SF	TOTAL SF	MARKET RENTS	MONTHLY MARKET RENTS	ANNUAL MARKET RENTS	RENT/SF
30	1 Bed / 1 Bath	600	18,000	$800	$24,000	$288,000	$1.33
65	2 Bed / 1 Bath	880	57,200	$950	$61,750	$741,000	$1.08
95		792	75,200	$903	$85,750	$1,029,000	$1.14

FINANCIAL DATA

INCOME		PRO FORMA
Scheduled Market Rent		$1,029,000
Less: Loss to Lease	0.25%	($2,573)
Less: Vacancy	5.00%	($51,450)
Less: Concessions	1.25%	($12,863)
Less: Non-Revenue Units & Bad Debt	1.50%	($15,435)
Net Rental Income		$946,680
Total Operating Income (EGI)		$946,680

EXPENSES		PER UNIT	PRO FORMA
Administrative		$300	$28,500
Advertising & Promotion		$10	$950
Payroll		$850	$80,750
Repairs & Maintenance		$375	$35,625
Turnover		$125	$11,875
Grounds & Landscaping		$100	$9,500
Management Fee	3.00%	$299	$28,400
Utilities-Electric/Gas		$185	$17,575
Utilities-Water/Sewer		$425	$40,375
Contracted Services		$325	$30,875
Pest Control/Garbage		$50	$4,750
Real Estate Taxes	5.45%	$975	$92,650
Insurance		$800	$76,000
Replacement Reserves		$300	$28,500
Total Expenses			$486,325
Net Operating Income			**$460,355**

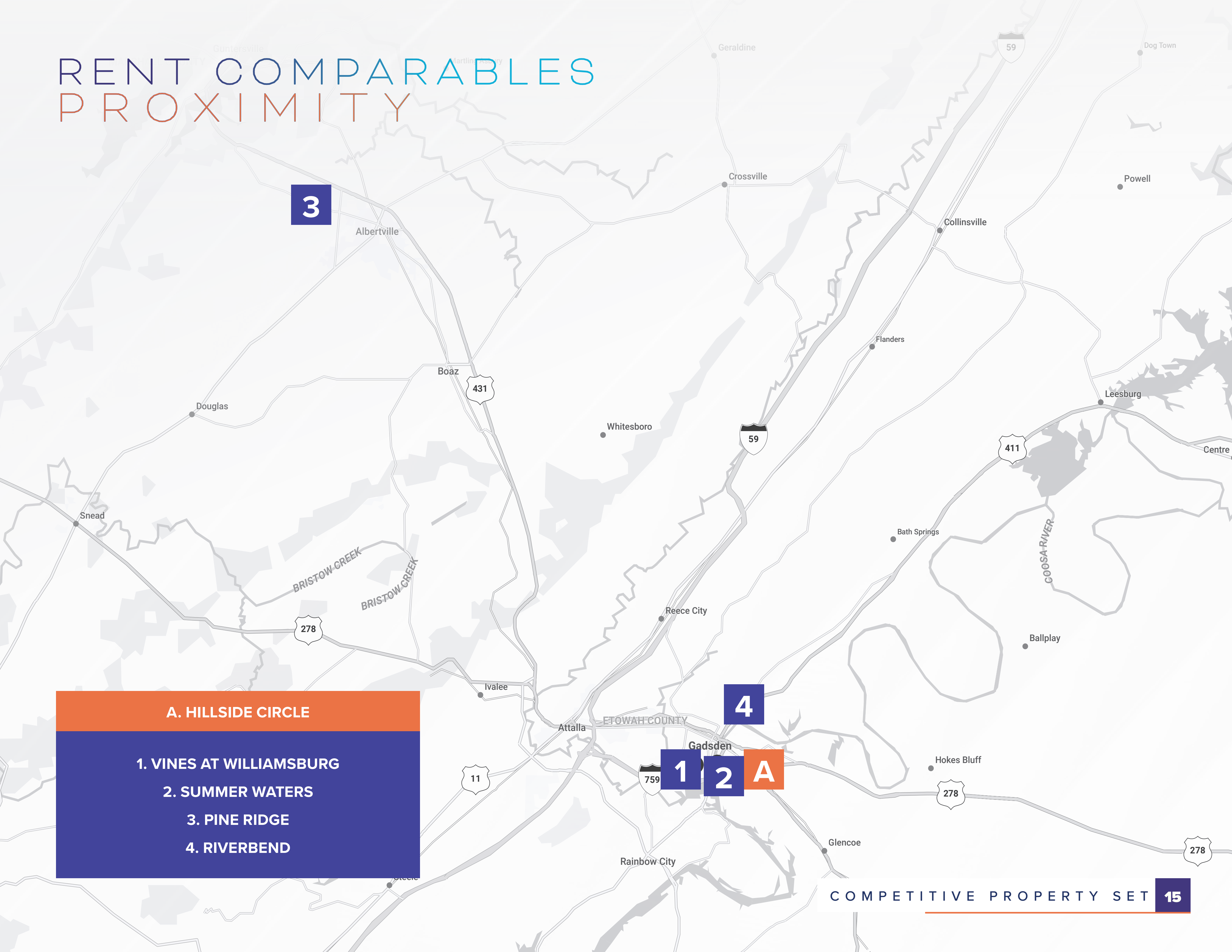
03

Section

HILLSIDE CIRCLE

Apartments

RENT COMPARABLES PROXIMITY



A. HILLSIDE CIRCLE

1. VINES AT WILLIAMSBURG
2. SUMMER WATERS
3. PINE RIDGE
4. RIVERBEND

RENT COMPARABLES

A

HILLSIDE CIRCLE

Year Built	2025
No. of Units	95

Unit Type	Size (SF)	Rent	Rent/SF
1B / 1B	600	$800	$1.33
2B / 1B	880	$950	$1.08
Averages	792	$903	$1.14

1

VINES AT WILLIAMSBURG

Year Built	1973
No. of Units	60
Occupancy	95%

Unit Type	Size (SF)	Rent	Rent/SF
2B/1.5B	1,200	$1,032	$0.86
Averages	1,200	$1,032	$0.86

2

SUMMER WATERS

Year Built	1978
No. of Units	248
Occupancy	93%

Unit Type	Size (SF)	Rent	Rent/SF
1B/1B	710	$775	$1.09
2B/2B	850	$900	$1.06
3B/2B	1,150	$1,000	$0.87
Averages	903	$892	$1.01

RENT COMPARABLES

3

PINE RIDGE

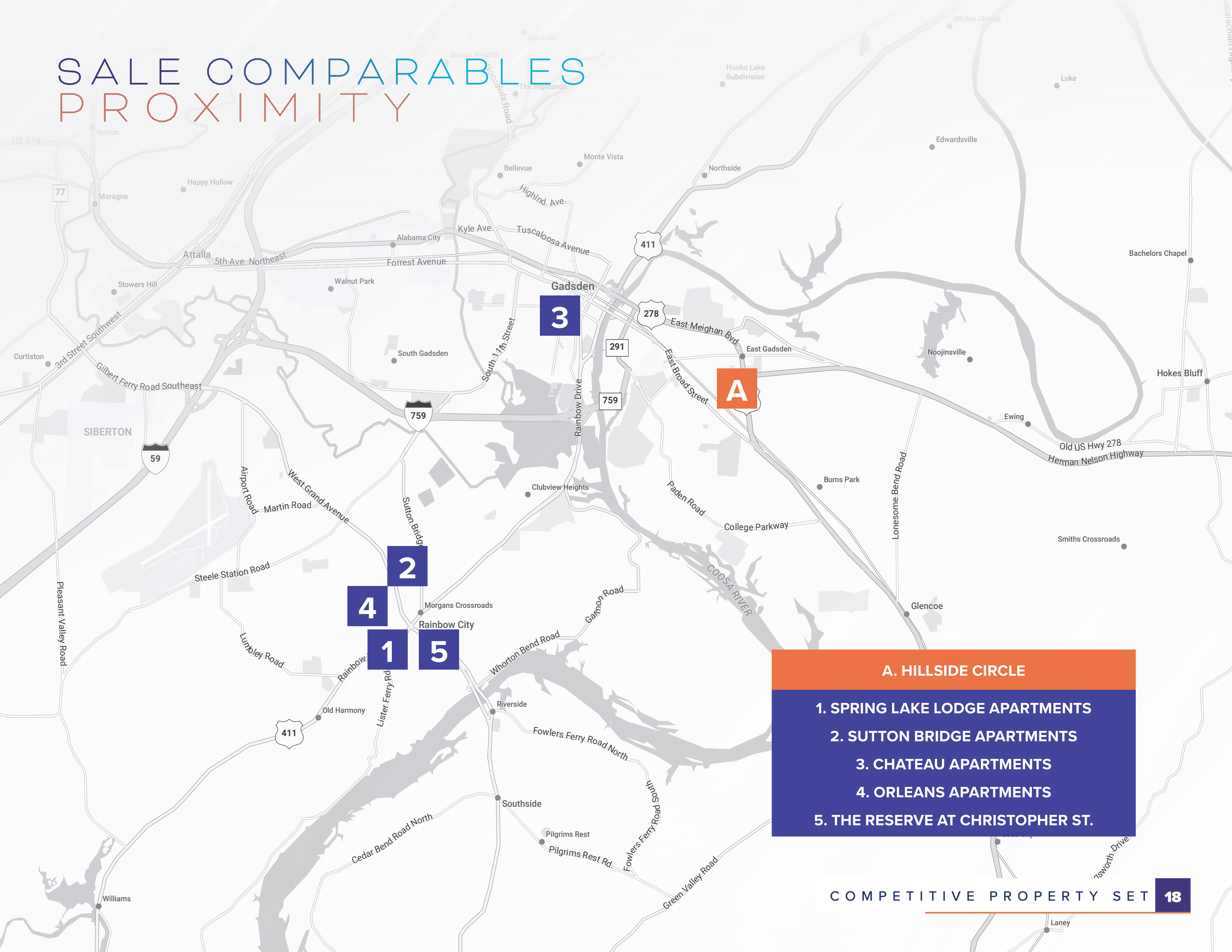
Year Built	1979		
No. of Units	100		
Occupancy	97%		
Unit Type	Size (SF)	Rent	Rent/SF
1B/1B	680	$813	$1.20
2B/2B	920	$882	$0.96
3B/2B	1,160	$930	$0.80
Averages	920	$875	$0.99

4

RIVERBEND

Year Built	1978		
No. of Units	100		
Occupancy	94%		
Unit Type	Size (SF)	Rent	Rent/SF
1B/1B	710	$720	$1.01
2B/2B	850	$820	$0.96
3B/2B	1,121	$923	$0.82
Averages	894	$821	$0.93

SALE COMPARABLES PROXIMITY



A. HILLSIDE CIRCLE

1. SPRING LAKE LODGE APARTMENTS
2. SUTTON BRIDGE APARTMENTS
3. CHATEAU APARTMENTS
4. ORLEANS APARTMENTS
5. THE RESERVE AT CHRISTOPHER ST.

SALES COMPARABLES

*

HILLSIDE CIRCLE

Address	101 Hillside Cir
Year Built	2025
Units	95
Sales Price	
Price per Unit	TBD
Sold Date	

1

SPRING LAKE LODGE APARTMENTS

Address	3715 Rainbow Dr (Part of a 4 Property Portfolio)
Year Built	1978
Units	149
Sales Price	$11,840,000
Price per Unit	$79,463
Sold Date	5/31/2022

2

SUTTON BRIDGE APARTMENTS

Address	98 Sutton Cir (Part of a 4 Property Portfolio)
Year Built	1972
Units	110
Sales Price	$8,640,000
Price per Unit	$78,545
Sold Date	5/31/2022

SALES COMPARABLES

3

CHATEAU APARTMENTS

Address	403-409 S 6th St (Part of a 5 Property Portfolio)
Year Built	1969
Units	34
Sales Price	$2,669,978
Price per Unit	$78,529
Sold Date	5/17/2024

4

ORLEANS APARTMENTS

Address	112 Ilene Street (Part of a 5 Property Portfolio)
Year Built	2013
Units	73
Sales Price	$5,446,321
Price per Unit	$74,607
Sold Date	5/17/2024

5

THE RESERVE AT CHRISTOPHER ST.

Address	164 Christopher St (Part of a 5 Property Portfolio)
Year Built	1993
Units	160
Sales Price	$11,436,290
Price per Unit	$71,477
Sold Date	5/17/2024

Section

04

HILLSIDE CIRCLE

Apartments

Marcus & Millichap

Local News

FORMER STEEL MILL SITE IN GADSDEN TO HOST $430 MILLION MANUFACTURING CAMPUS

A former steel mill site in Gadsden is being redeveloped into a major manufacturing campus.

Minth Group broke ground Monday on its new facility, investing more than $430 million at the former Republic Steel and Gulf States Steel property.

The project will create more than 1,300 jobs and will become the company's largest campus worldwide.

"What started as a family business has now grown to be one of the top 100 auto suppliers in the world," said Esther Chin, CEO of Minth Group. "Today we celebrate a new milestone, breaking ground on what is the largest land footprint Minth has globally. Gadsden is now part of the Minth family and we couldn't be more excited to make this a flagship location for our growth in the United States."

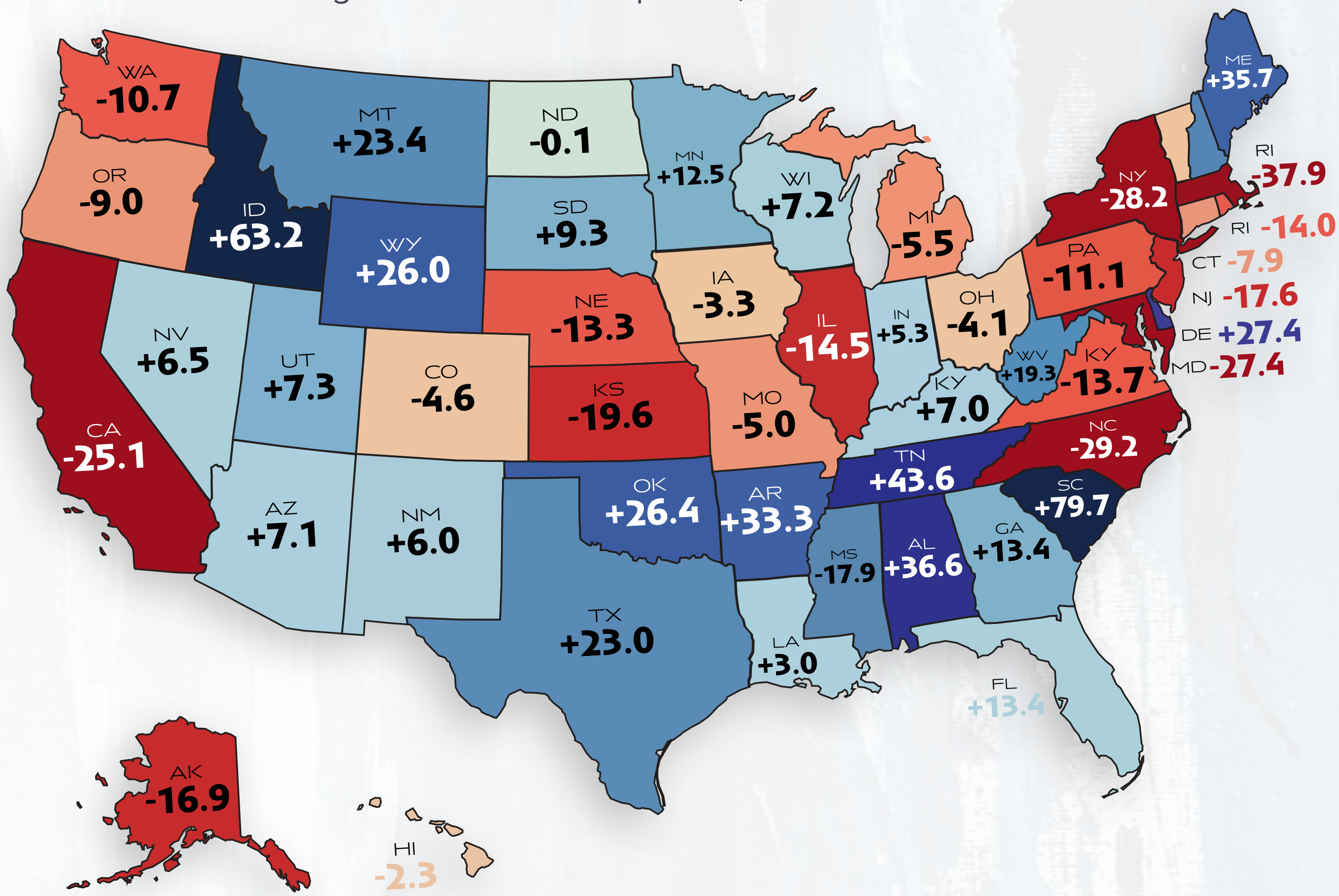
Leaders said the development marks a significant investment in Gadsden's future, with production expected to begin in 2027.

The $430 Million campus will create more than 1,300 new jobs and will become the company's largest campus worldwide

WHERE AMERICANS
MOVED IN 2025

◀ LOSS GAIN ▶

Net Migration Loss/Gain per 10,000 Inhabitants



Alabama: +36.6 per 10,000 inhabitants — shown in deep blue, meaning strong net in-migration. Alabama is one of the top performing states in the entire Southeast for population growth on a per-capita basis.

ALABAMA:
GOVERNOR IVEY ANNOUNCES RECORD-BREAKING YEAR FOR ALABAMA ECONOMIC DEVELOPMENT

Governor Kay Ivey has announced the release of the 2025 New & Expanding Industry Announcements Report, marking a record year for economic development growth in communities across the state.

The Alabama Department of Commerce annual report lists 234 projects last year that combined for a total capital investment of $14.6 billion, the highest annual total in state history, along with 9,388 new job commitments.

Governor Ivey said the report reflects a broader economic transformation that has taken place since she took office in 2017, guided by a deliberate focus on business recruitment, workforce development and long-term growth. She highlighted her disciplined, results-driven strategy during her during her State of the State Address.

Growth was seen in a wide array of business sectors, such as biosciences, technology, metals and advanced materials, automotive and aerospace, forestry and wood products and more.

Pivotal projects included:

Pharmaceutical giant Eli Lilly and Company plans to spend more than $6 billion to build an advanced manufacturing operation in Huntsville and Limestone County. The synthetic medicine active pharmaceutical ingredient facility, which will create 450 jobs for engineers, scientists, lab technicians and other skilled personnel, represents the largest initial investment in Alabama history.

ArcelorMittal is investing $1.2 billion to build a facility in Mobile County to produce a specialty electrical steel that is used in EV motors and other applications. The project will create more than 200 jobs.

Owens Corning announced plans to open a $325 million state-of-the-art shingle manufacturing plant in Prattville that will add 89 jobs in Autauga County.

CNBC

ALABAMA RANKS NO. 19 FOR BUSINESS IN 2025

Alabama ranked No. 19 in CNBC's recent "America's Top States for Business," up one spot from 2024.

The financial news agency measured each state on 135 metrics within 10 categories, including cost of doing business, workforce and quality of life. Out of a possible 2,500 points, Alabama received 1,337.

Alabama received its best marks in cost of living, No. 6, and business friendliness, No. 13. Its worst-performing categories were quality of life, No. 44, and access to capital, No. 40.

Its workforce ranking went from 24 in 2024 to 16 this year. The state's biggest slide in the metrics was in access to capital, moving from 29 to 40.

Last year, Alabama was "most improved" in the CNBC rankings.

"Since taking office in 2017, I have made it a priority to be sure Alabama is a top state for doing business, and I am proud we have steadily made progress," Gov. Kay Ivey told Alabama Daily News about the ranking. "We have created a climate where our existing industries thrive and new ones want to locate here, and we are not slowing down."

"In addition to our economic development efforts, our long-term strategy includes focusing on education and developing our workforce. It takes all-around success to be at the top, and I believe Alabama is well on our way."

The study's top 10 states include several of Alabama's neighbors and are: North Carolina, Texas, Florida, Virginia, Ohio, Michigan, Georgia, Tennessee, Indiana and Minnesota.

Source: aldailynews.com

LOCATION OVERVIEW

Located in North Alabama along the Coosa River, Gadsden is the principal city of the Gadsden Metropolitan Statistical Area (MSA) and the seat of Etowah County. The MSA has a population of 100,937 that is projected to increase marginally over the next five years. The city is currently undergoing significant redevelopment to enhance the metro's livability and recreational opportunities. Guided by a recently approved city master plan, scheduled improvements include substantial upgrades to the local parks, the construction of walking pathways that would improve walkability and leverage the area's natural scenery, and the development of a state-of-the-art athletics center. Additionally, multiple projects are underway to establish a new riverfront entertainment district, including the planned delivery of a $20 million, 5-acre mixed-use retail development scheduled for 2026.

The Gadsden economy is anchored by major employers in the healthcare, education and essential services sectors, including Gadsden Regional Medical Center and the Etowah County Board of Education. The city is also close to multiple key travel routes like Interstate 59 and 759, providing convenient commuting access to employment centers in Birmingham, Chattanooga and Huntsville. Thanks to the city's riverfront views and lush natural surroundings, Gadsden is also an emerging destination for outdoor enthusiasts. Top nature attractions include Noccalula Falls Park and James D. Martin Wildlife Park.

HIGHLIGHTS

- Regional population of 100,937 that is expected to expand by 2029
- Major redevelopments guided by city master plan aim to enhance livability and recreation
- New $20 million mixed-use riverfront entertainment district is planned for delivery in 2026
- A state-of-the-art athletics center will provide residents and visitors with expanded fitness options
- Substantial upgrades are underway to renovate parks and create scenic walkable pathways
- Interstates 59 and 759 provide convenient access to regional employment hubs
- Prominent natural attractions like Noccalula Falls Park and James D. Martin Wildlife Park

Major Employer:

GADSDEN REGIONAL MEDICAL CENTER (GRMC)

This 346-bed acute care hospital is one of the largest healthcare facilities in Etowah County. The 700,000-square-foot Level III Trauma Center serves the entire county with both inpatient and outpatient care. In addition to the center's 40-acre primary campus, GRMC operates over a dozen affiliated facilities throughout Etowah County. Notable recognition for the hospital includes accreditation from The Joint Commission, accreditation from the American College of Radiology, and multiple awards for safety. A major local employer, GRMC provides jobs for over 1,100 Gadsden residents.

GADSDEN REGIONAL imaging center

Primary healthcare center serving the Gadsden MSA and Etowah County

A 700,000-square-foot Level III Trauma Center located on a 40-acre campus

Major regional jobs provider that employs over 1,100 Gadsden Residents

The 346-bed hospital specializes in cardiology, orthopedics and radiology

Major Employer

KOCH FOODS

Founded in 1985, Koch Foods is among the country's largest poultry processors and distributors in the country. The company employs over 13,000 people nationwide at numerous industry leading processing facilities and warehouses. Koch Foods operates two major facilities in the Gadsden MSA. The poultry processing facility in Gadsden is one of the city's largest jobs providers, employing 1,000 people. The plant was the recipient of a $16 million investment to expand the plant and add new jobs. In nearby Attalla, Koch Foods operates a $60 million grain storage and distribution facility. The plant was originally opened in 2022 and employs another 1,000 residents.

Top poultry processor and distributor employing over 13,000 people across the U.S.

Koch Foods is a leading Gadsden MSA employer providing more than 2,000 jobs

The Gadsden poultry processing plant underwent a $16 million expansion to support production capacity

A state-of-the-art $60 million grain storage and distribution center opened within Gadsden MSA in 2022

DEMOGRAPHICS

GADSDEN, ALABAMA - MSA

POPULATION

101,108
2029 (projected)

100,937
2024

103,436
2020

104,430
2010

AVG. HOUSEHOLD INCOME

$74,782
2029

$68,789
2024

$59,808
2020

$53,798
2010

BACHELOR'S DEGREE OR HIGHER

29.0%
2029 (projected)

27.6%
2024

28.7%
2020

12.9%
2010

HILLSIDE CIRCLE

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