



Highland Enclave Build to Rent (BTR)



A long-term investment strategy
featuring stable ROI potential.





Executive Summary

Gated Community of 28 New Construction Single Family Homes, in a designated Opportunity Zone.

12 miles from Downtown Houston, TX.
This area is undergoing significant revitalization with
new infrastructure and construction activity.

- 1,750 square foot, Single Family Homes
- 3 Bedrooms | 2.5 Bathrooms | 2-Car Garage
- Private Driveways | Gated Enclave



Market Opportunity



Comparable area rental homes range \$2,200 - \$2,350 per month.

Average Days on Market range only 35 - 45 days over last six months.

Opportunity Zone Focus encourages new construction in the area.

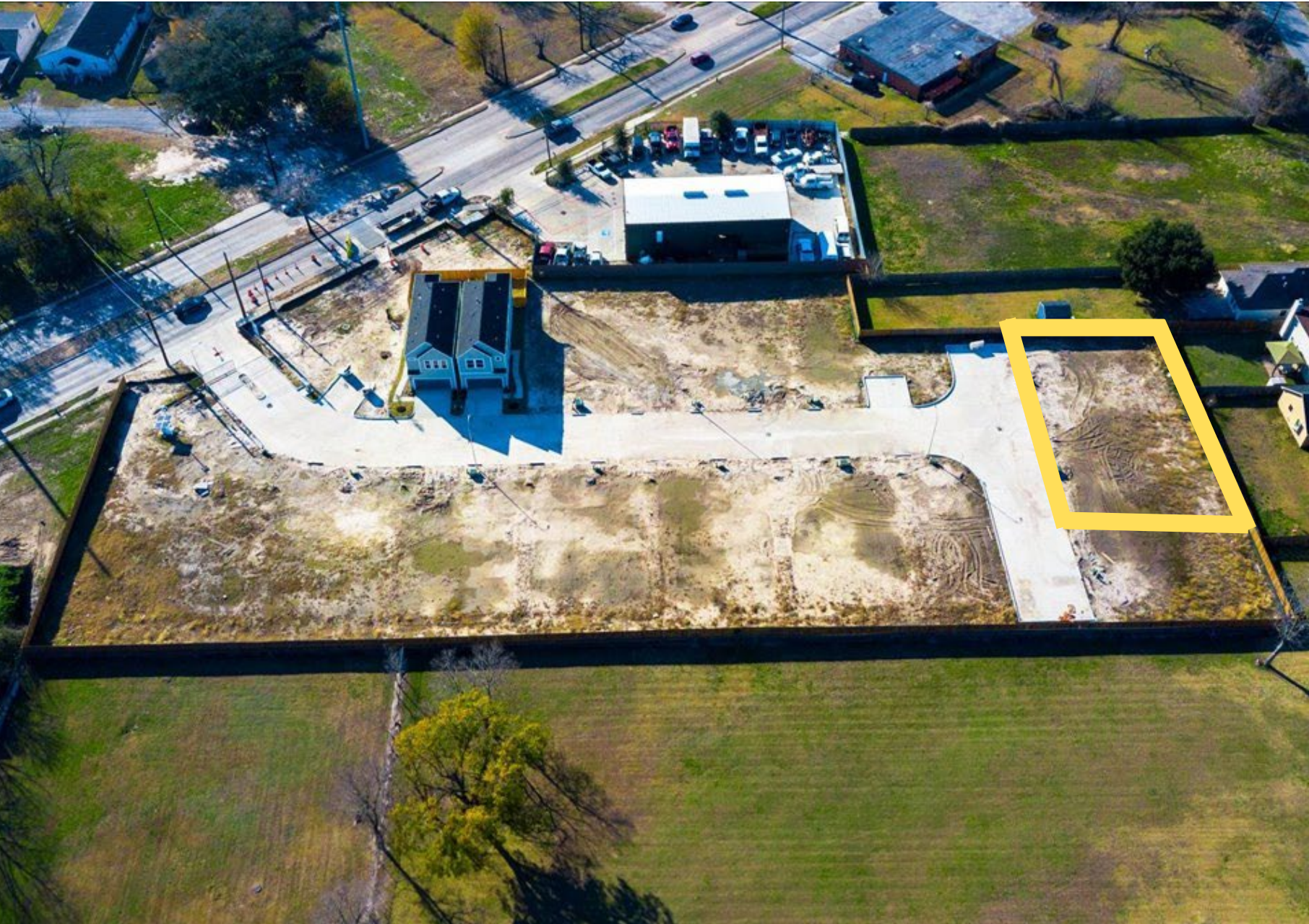
Investment Rationale

Why Build to Rent?

- **MINIMAL CREDIT RISK** – Owners of BTR Communities are not overly exposed to the financial circumstances of any one tenant.
- **GROWING BUYER POOL** - BTR Communities are fast becoming one of the most sought-after forms of commercial real estate investment.
- **ONE-YEAR LEASES**- Allow Landlords to quickly capture market rent growth.
- **FAMILY FRIENDLY** - BTR Communities provide a more appealing environment to working-class families.
- **STICKY TENANTS** - BTR Communities typically see less resident turnover than traditional multi-family communities.



4 Unit Portfolio



- 6.6% IRR
- \$-0- taxes if held for 10 years
- \$116,000 Gross Income
- Investment Portfolio Diversification
- Inflation Protection via Rent Escalation



Financing Available



	4 Units
Purchase Price	\$1,340,000
Down Payment %	43.50%
Loan Amount	\$757,100
Principal and Interest Monthly Payment	\$4,785
Estimated Monthly Property Taxes	\$2,546
Estimated Monthly Homeowner's Insurance	\$670
Estimated Monthly HOA	\$500
Total Estimated Monthly Payment:	\$8,501
Down Payment \$	\$582,900
Estimated Closing Costs	\$29,240
Deposit for Escrow Account	\$18,098
Total Estimated Funds Needed	\$630,238



White Glove Property Management



Setup Fee
Waived

Monthly Fee
\$99

Listing Fee
1 Month Rent

Renewals
\$295

Full -Service Management
Rent Collection, Tenant Placement, Tenant Management & Maintenance Coordination

Property management services provided through Edinson Property Management LLC. Managing properties since 2008 in Greater Houston.



Site Plan



Loan Options



DSCR Loan for 6 Unit Portfolio:

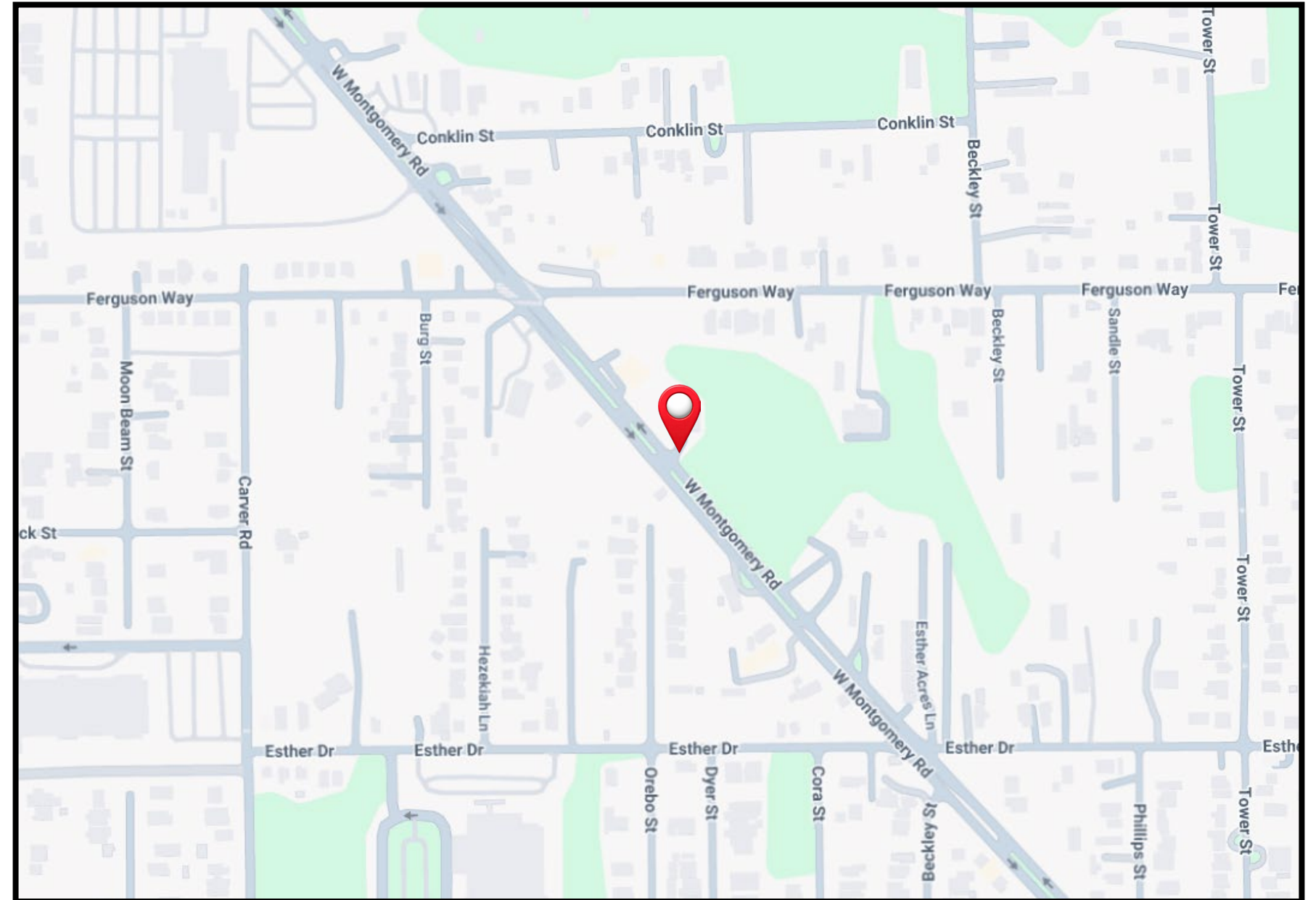
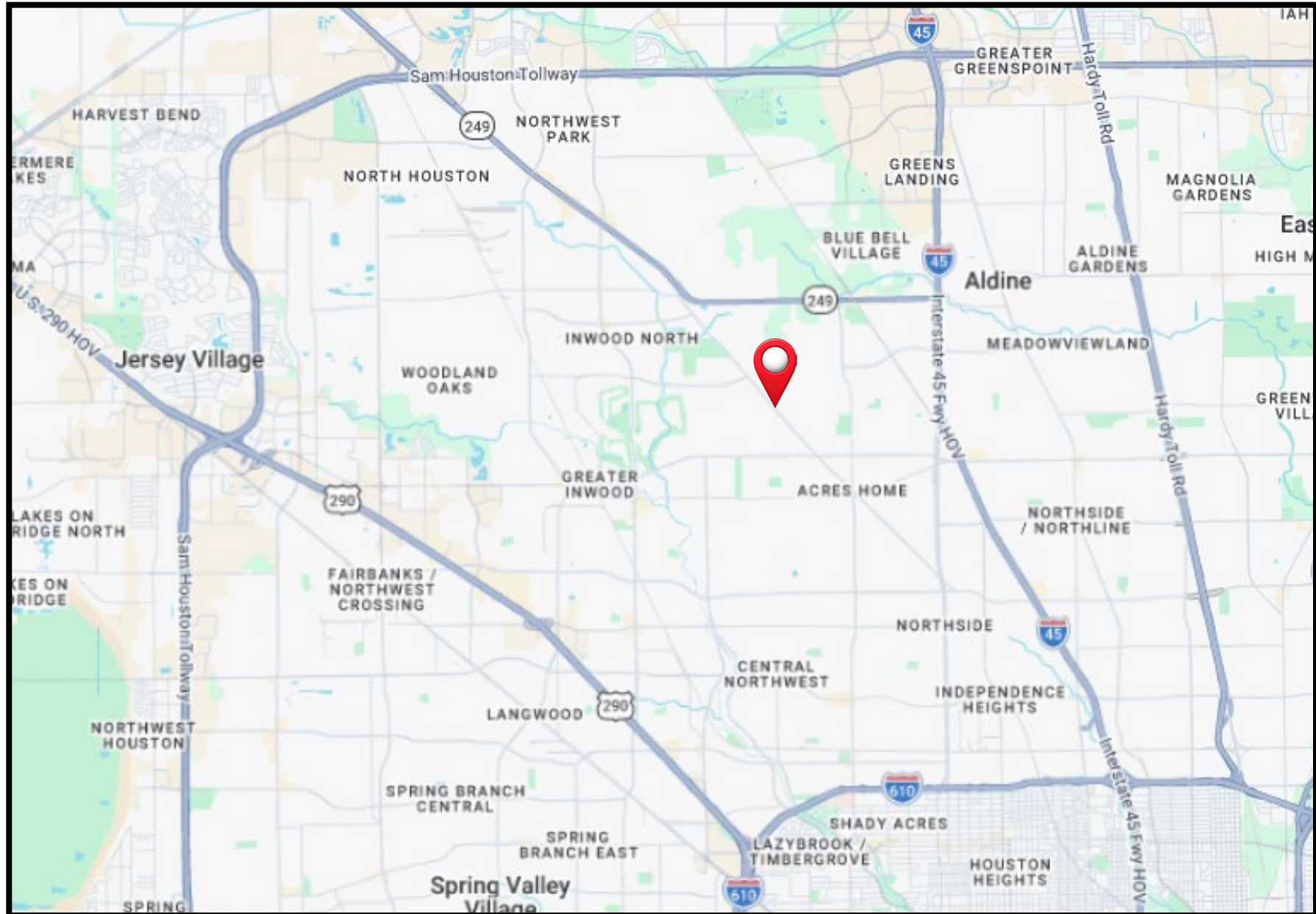
- 1.20 Minimum DSCR
- Rent ~ \$2,302/Month/Unit

Foreign National Financing :

- Down payment as low as 25%
- No credit score required
- No ITIN required
- Eligible VISA needed
- Vest in an LLC
- Reserves required

Portfolio Location

- High-demand NW Houston Corridor
- Strong Rental Fundamentals for SFR/BTR
- Proximity to Hwy 249,45 and major job centers



4 BTR Portfolio

Hold, exit in 10 Years		
NPV	6.0%	\$59,859
IRR		6.60%

ADDRESS	Rent Comp per Sf / mo		\$1.34
9116 W Montgomery Rd	Comparables base x SF		\$1.22 - \$ 1.39
Stories	PLAN	SF	
2	Plan A	1,750	
BED/BATH	Garage	Avg Lot SF	
3 bed /2 bath	2	2,453	

Status	Price	Projected Rent / mo	Insurance	Property Tax	NOI	Entry caps
Under Construction	\$335,000	\$2,345	\$1,005	\$7,665	\$16,590	5.0%
x 4 units	\$1,340,000	\$9,380	\$4,020	\$30,661	\$66,359	
<u>Other Income /mo</u>		<u>\$300</u>				
Gross Monthly Income		\$9,680				
Gross Annual Income		\$116,160				

Acquisition Information	
Purchase	\$335,000
Number of Doors	4
Buyside Closing	\$60,300
Total	\$1,400,300
Loan Interest Rate	6.50%
LTC % = loan Amt./ Cost)	75.0%

Sale Details	
Appreciation (2% - 5%)	4.00%
Other Income per unit/mo (Water)	\$75
Holding Period(years)	10
Vacancy	5.00%
Inflation	3.00%

Operating Expenses	
HOA Fee/ Yr *	\$2,880
Property Taxes	2.2881%
Insurance **	0.3000%
Property Mgmt Annual	4.22%
Rent escalation	4.50%
Sellside Closing Costs	4.50%

* \$125/HOA + \$115/Water

** Tenants required to have Renter's Insurance

Projections

Year	0	1	2	3	4	5	6	7	8	9	10	
Absorption		95%	100%	100%	100%	100%	100%	100%	100%	100%	100%	
Vacancy		10%	5%	5%	5%	5%	5%	5%	5%	5%	5%	
Gross Income		\$116,160	\$116,160	\$121,387	\$126,850	\$132,558	\$138,523	\$144,756	\$151,271	\$158,078	\$165,191	
EGI		\$104,834	\$110,352	\$115,318	\$120,507	\$125,930	\$131,597	\$137,519	\$143,707	\$150,174	\$156,932	
Expense		\$69,241	\$71,318	\$73,457	\$75,661	\$77,931	\$80,269	\$82,677	\$85,157	\$87,712	\$90,343	
Total NOI		\$35,594	\$39,034	\$41,861	\$44,846	\$47,999	\$51,328	\$54,842	\$58,550	\$62,462	\$66,588	
Acquisition Cost		(\$1,400,300)										
Total Sale Price (Appreciated Value)												
Sellside Closing Costs												
Net cash flow		(\$1,400,300)	\$35,594	\$39,034	\$41,861	\$44,846	\$47,999	\$51,328	\$54,842	\$58,550	\$62,462	\$2,046,099
Equity cash flows		(\$350,075)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$663,480
Loan Cash Flow		(\$1,050,225)	\$35,594	\$39,034	\$41,861	\$44,846	\$47,999	\$51,328	\$54,842	\$58,550	\$62,462	\$1,382,619
Loan balance		\$1,050,225	\$1,082,896	\$1,114,250	\$1,144,815	\$1,174,382	\$1,202,718	\$1,229,567	\$1,254,647	\$1,277,649	\$1,298,234	
Net Present Value		6.0%	\$59,859									
IRR		6.6%										

NOTE: Proforma is intended solely as a tool to simulate the investment scenario. This analysis and related documents do not constitute a guaranty or repalce an extensive Due Diligence process. A comprehensive review and analysis of all relevant facts, assumptions, forecasts and consultation with investors' own accounting, insurance, legal and real estate professionals are essential before making any investment decisions.

Additional Options



- More flexible underwriting terms and better rates may be available.
- Substantial investor reserves, lower leverage strengthens their risk profile; may provide room for better terms.
- Interest only options may be available.
- Multiple solutions available once Investor's financial picture is known.



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