

OFFERING MEMORANDUM

Value-Add Multifamily Investment Opportunity

Executive Summary

This is a **stabilized, income-producing multifamily property with immediate and built-in rental upside**. The asset offers a strong in-place return with the ability to increase NOI through scheduled rent increases and management optimization.

- **Purchase Price:** \$775,000
- **Current Cap Rate:** 6.5%
- **Projected Cap Rate:** 7.3%
- **Projected Gross Income:** \$69,000

This is an ideal opportunity for an investor seeking **cash flow with near-term appreciation**.

Investment Highlights

- **Built-In Rent Growth:** Contractual rent increases already in place
 - **Immediate Upside:** Month-to-month units allow for rapid rent adjustments
 - **Strong Tenant Mix:** Diverse unit sizes (1BR–3BR) appeal to a broad renter base
 - **Low Operating Expenses:** Efficient cost structure enhances returns
 - **Stabilized Asset:** Producing consistent income from day one
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Rent Roll

Unit	Beds/Baths	Current Rent	Increase Date	New Rent	Lease Term
520	2 / 1	\$1,100/m	6/30/2027	\$1,200/m	7/1/2026 – 6/30/2027
524	1 / 1	\$950/m	1/30/2027	\$1,050/m	2/1/2026 – 1/30/2027
526	3 / 1	\$1,300/m	12/31/2026	\$1,400/m	1/1/2026 – 12/31/2026
528	1 / 1	\$850/m	10/31/2026	\$950/m	Month-to-Month
530	2 / 1	\$1,050/m	9/30/2026	\$1,150/m	Month-to-Month

Income Overview

Metric	Current Projected (3–12 Months)	
Monthly Income	\$5,250	\$5,750
Annual Income	\$63,000	\$69,000

Operating Expenses

Expense	Annual
Real Estate Taxes	\$5,777
Water & Garbage	\$4,000
Insurance	\$2,798

Total Expenses: \$12,575

Net Operating Income (NOI)

- **Current NOI:** \$50,425
 - **Projected NOI:** \$56,425
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Cap Rate Analysis

Scenario Cap Rate

Current 6.5%

Projected 7.3%

Value-Add Opportunity

This asset presents a clear path to increased profitability:

- **Below-Market Rents:** Opportunity to further push rents beyond scheduled increases
- **Month-to-Month Units:** Flexibility to immediately align rents with market
- **Expense Optimization:** Potential to reduce utility or operational costs
- **Future Appreciation:** NOI growth directly drives property value

Pricing Strategy / Investor Angle

At the projected NOI of **\$56,425**, an investor buying at a **7.0% market cap** would justify a valuation of approximately:

\$806,000+

This creates a compelling case that the asset is:

- **Priced at or below market**
- **Positioned for forced appreciation**
- **Offering both yield + equity upside**

Conclusion

This is a **rare opportunity** to acquire a **cash-flowing multifamily property with immediate upside already in motion**. With minimal effort, an investor can increase NOI and overall asset value within the first 12 months of ownership.

INCOME & EXPENSES

UNIT #	BEDS/ BATHS	CURRENT RENT	RENT INCREASE DATE	RENT INCREASE AMOUNT	CURRENT LEASE TERM
520	2/1	\$1100/M	6/30/27	\$1200/M	7/1/2026- 6/30/2027
524	1/1	\$950/M	1/30/27	\$1050/M	2/1/2026- 1/30/2027
526	3/1	\$1300/M	12/31/2026	\$1400/M	1/1/2026- 12/31/2026
528	1/1	\$850/M	10/31/2026	\$950/M	M-M
530	2/1	\$1050/M	09/30/2026	\$1150/M	M-M
RENT INCOME TOTAL MONTHLY		\$5250/M	3-12 Months	\$5750/M	
RENT INCOME TOTAL ANNUAL		\$63,000/Y		\$69,000/Y	

ANNUAL EXPENSES

2025 Real Estate Taxes \$5777

Water & Garbage Removal (Included on 1 Bill) \$4000

Insurance (General Liability & Property) \$2798

TOTAL EXPENSES: \$12,575/Y

CURRENT NOI \$50,425

UPCOMING NOI \$56,245

CAP RATE (DEPENDS ON ACTUAL PURCHASE PRICE)

CURRENT CAP RATE AT FULL PURCHASE PRICE OF \$775,000 = 6.5%

UPCOMING CAP RATE AT FULL PURCHASE PRICE OF \$775,000 = 7.3%