



BELLEVU E APARTMENT S

*400 E Second St
Bloomington, IN*

AGENDA



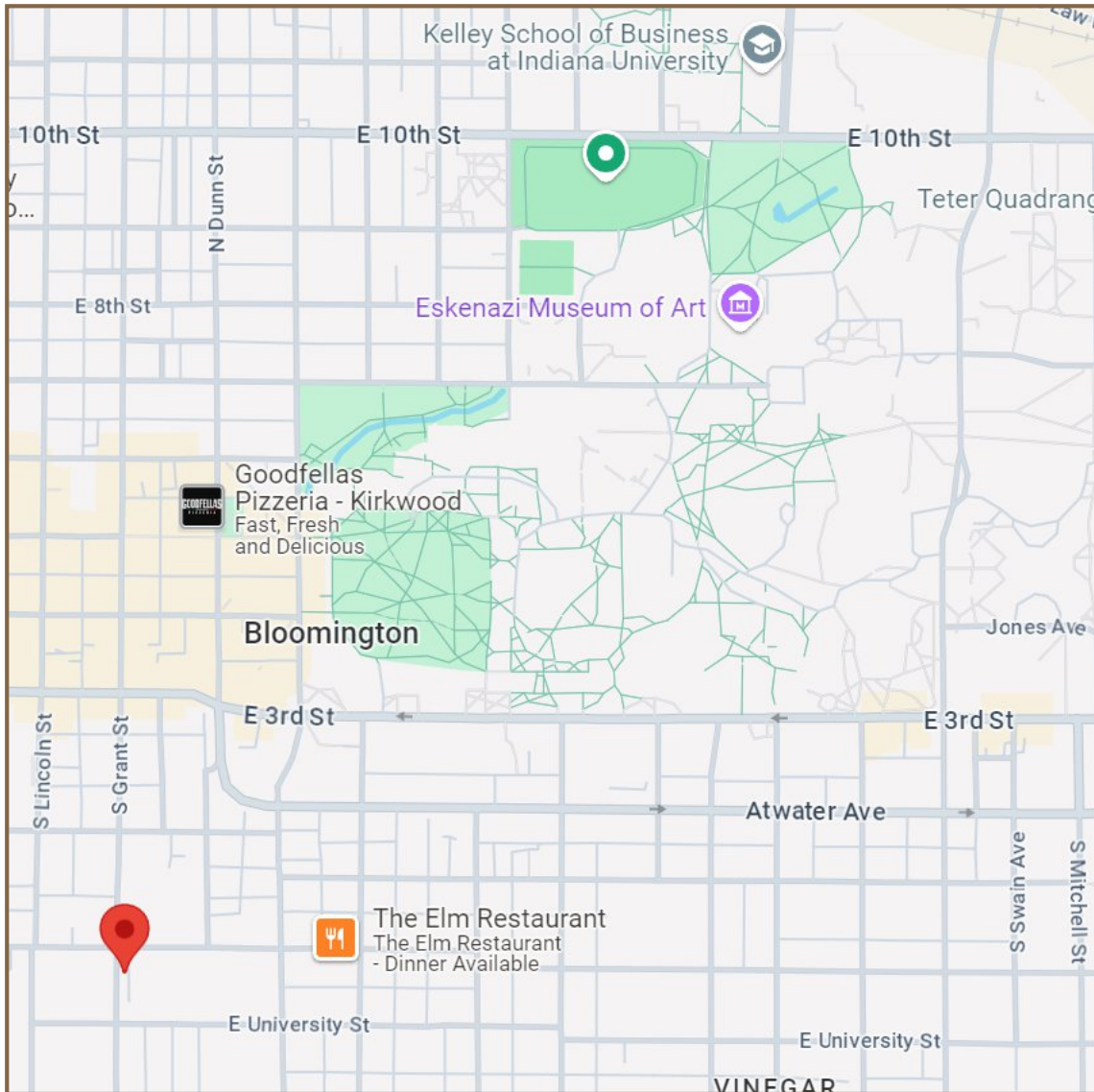
Executive
Summary



Financial
Analysis



Business **Plan**



Current Property Income:

- \$13,275 / month
- \$159,300 / year

Property Amenities:

- Reserved Parking
- 24-hour Maintenance
- 24-hour Laundry In Building

Local Amenities:

- Kirkwood Ave
- Monroe County Public Library

Summary

Finances

Business Plan



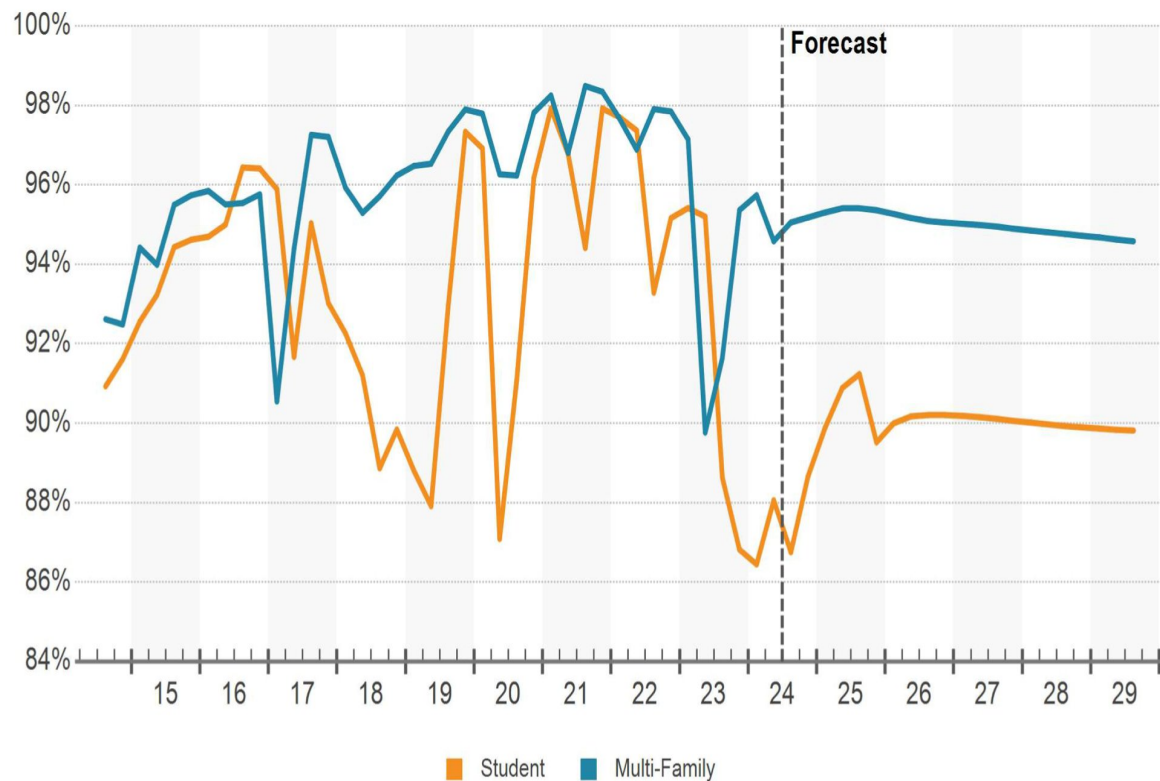
Trends

- Rent growth = 10-14%
- Average rent = \$852
- Student population steadily increasing
- 88-90% occupancy (Potentially 90-92%)
- Supply-Demand gap of 2,500 beds

Submarket

- 40,000 current full time students
- 37,500 delivered beds

OCCUPANCY BY PROPERTY SEGMENT



MARKET ANALYSIS

Factors Affecting Demand

Occupancy Rate

General	10-20 mins from Campus
88%	90.1 (1-2% higher)

Market High – 91% (Year 25-26)

Market Low – 89.5%

Student housing 10 – 20 mins have 1-2% higher occupancy

Bellevue – 18 Units

MARKET ANALYSIS

Factors Affecting Demand

Population Growth

IU full-time Student

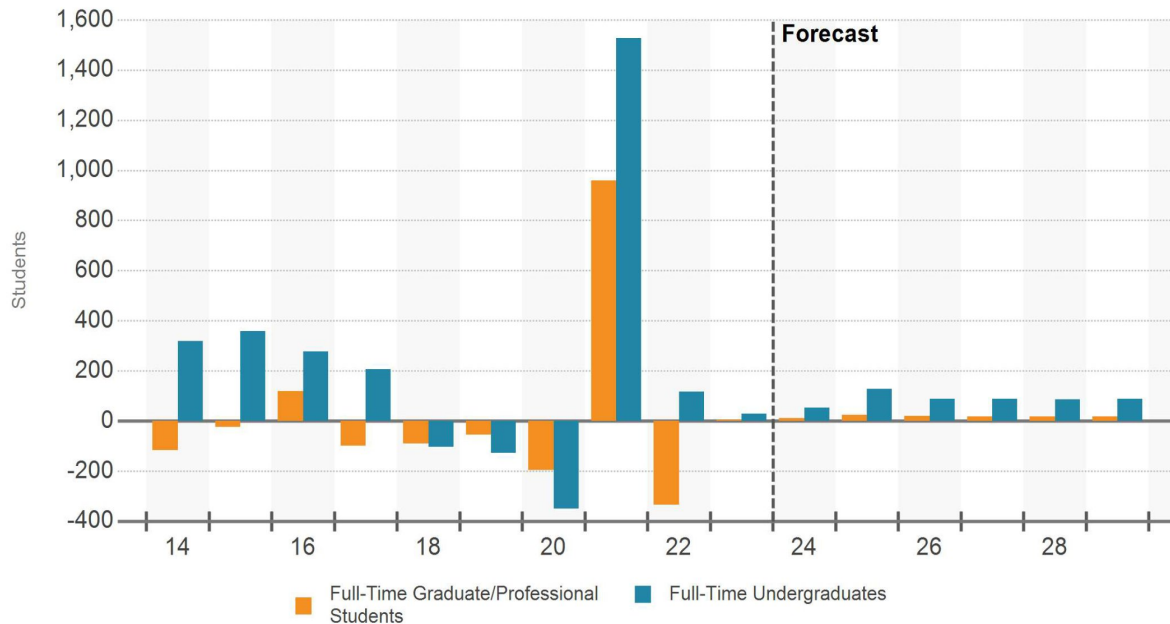
Population – 40,000

Supply

Total number of beds: 37,500

Supply Demand Gap (40,000-37,500) - 2500

ANNUAL CHANGE IN FULL-TIME STUDENTS



FINANCIAL ANALYSIS

FINANCES

Purchase Assumptions

Closing Date	12/31/24
Asking Price	\$1,600,000
Forward NOI	\$96,000
Expected Purchase Price	\$1,600,000
Purchase Price Per Unit	\$88,889
Implied Going In Cap Rate	6.00%
Closing Costs	2.00%
Total Project Cost	\$1,604,266

Leasing Assumptions

General Vacancy	9.90%
Leasing Concessions	4.17%

Growth Rate Assumptions

Annual Rent Growth Rate	4.50%
Parking Income Growth Rate	2.50%
Laundry Income Growth Rate	2.50%
Operating Expenses Growth Rate	2.50%

Stabilization & Sale Assumptions

Hold Period	7 Years
Sale Date	12/31/2031
Terminal Cap Rate	6.50%
Gross Sale Price	\$2,396,867
Gross Sale Price Per Unit	\$133,159
Selling Costs	2.00%

Loan Assumptions

Amortizing or Interest Only	Interest Only
LTV or LTC	LTC
Loan to Value / Loan to Cost Ratio	63%
Loan Amount	\$1,010,688
Equity Contribution	\$593,578
Interest Rate	5.00%
Maturity	7 Years
Amortization Period	25 Years
Loan Issuance Fee	1.00%

Other Income Assumptions

Parking Income / Bed / Month	\$50
Utility Reimbursement / Bed / Month	\$25
Total Laundry Income / Month	\$10

Expense Assumptions

Utilities / Yr	\$6,480
Insurance / Yr	\$3,024
Property Tax / Yr	\$11,520
General Maintenance / Yr	\$32,000
Management Fees (% of EGI)	8.00%
Replacement Reserve (% of EGI)	5.00%

Summary

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<i>Annual Roll Up</i>		<i>Acquisition</i>		<i>Renovation</i>				<i>Disposition</i>		<i>Terminal</i>
<i>Year Ending</i>		12/31/2024	12/31/2025	12/31/2026	12/31/2027	12/31/2028	12/31/2029	12/31/2030	12/31/2031	12/31/2032
<i>Year</i>		Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Revenue:										
(+) Base Rental Income			172,634	197,849	206,752	216,056	225,779	235,939	246,556	257,651
(+) Laundry Income			121	124	127	130	133	136	140	143
(+) Parking Income			10,845	11,116	11,394	11,679	11,971	12,270	12,577	12,891
(+) Expense Reimbursement			5,423	5,558	5,697	5,839	5,985	6,135	6,288	6,446
(-) Vacancy Loss to Renovation			-	-	-	-	-	-	-	-
Potential Gross Income			189,022	214,647	223,970	233,704	243,868	254,480	265,561	277,131
(-) General Vacancy			(18,713)	(21,250)	(22,173)	(23,137)	(24,143)	(25,194)	(26,291)	(27,436)
(-) Concessions			(7,882)	(8,951)	(9,340)	(9,745)	(10,169)	(10,612)	(11,074)	(11,556)
Effective Rental Income			162,427	184,446	192,457	200,822	209,556	218,675	228,197	238,139
Expenses:										
(-) Utilities			(6,507)	(6,670)	(6,836)	(7,007)	(7,183)	(7,362)	(7,546)	(7,735)
(-) General Maintenance			(32,133)	(32,937)	(33,760)	(34,604)	(35,469)	(36,356)	(37,265)	(38,196)
(-) Insurance			(3,037)	(3,113)	(3,190)	(3,270)	(3,352)	(3,436)	(3,522)	(3,610)
(-) Property Tax			(11,568)	(11,857)	(12,154)	(12,457)	(12,769)	(13,088)	(13,415)	(13,751)
(-) Management Fees			(12,994)	(14,756)	(15,397)	(16,066)	(16,764)	(17,494)	(18,256)	(19,051)
Total Operating Expenses			(66,239)	(69,332)	(71,337)	(73,405)	(75,537)	(77,736)	(80,004)	(82,343)
Net Operating Income (NOI)			96,188	115,114	121,120	127,417	134,019	140,939	148,193	155,796
<i>NOI Margin</i>			59.2%	62.4%	62.9%	63.4%	64.0%	64.5%	64.9%	65.4%
(-) Capital Improvements			(4,266)	-	-	-	-	-	-	-
(-) Replacement Reserve			(9,451)	(10,732)	(11,199)	(11,685)	(12,193)	(12,724)	(13,278)	-
Cash Flow Before Debt Service			82,471	104,382	109,922	115,732	121,826	128,215	134,915	-
(-) Principal Paydown			-	-	-	-	-	-	-	-
(-) Interest Payments			(50,534)	(50,534)	(50,534)	(50,534)	(50,534)	(50,534)	(50,534)	-
Cash Flow After Debt Service			31,936	53,848	59,388	65,198	71,291	77,681	84,381	-
(-) Purchase Price		(1,600,000)								
(-) Closing Costs		(32,000)								
(+) Sale Proceeds			-	-	-	-	-	-	2,396,867	-
(-) Selling Costs			-	-	-	-	-	-	(47,937)	-
Total Unlevered Cash Flow		(1,632,000)	82,471	104,382	109,922	115,732	121,826	128,215	2,483,845	-
(+) Loan Proceeds		1,010,688								
(-) Loan Issuance Fee		(10,107)								
(-) Loan Payoff			-	-	-	-	-	-	(1,010,688)	-
Total Levered Cash Flow		(631,419)	31,936	53,848	59,388	65,198	71,291	77,681	1,422,623	-
<i>Debt Service Coverage Ratio (DSCR)</i>			1.90x	2.28x	2.40x	2.52x	2.65x	2.79x	2.93x	

SALE COMPARISON

Apartment Name	Sq.Ft/Unit	Sale Price	Price/SF	Price / Unit
Bellevue Apartments	450	\$1,600,000	\$3,556 PSF	\$88,889 / Unit
Stratum at Indiana	613	\$29,917,058	\$48,804 PSF	\$106,466 / Unit
Stageyard Apartments	517	\$16,997,350	\$32,877 PSF	\$105,574 / Unit
Washington Place	600	\$4,072,284	\$6,787 PSF	\$99,324 / Unit
9 North	600	\$5,538,262	\$9,230 PSF	\$102,560 / Unit
7 Ten	600	\$3,316,306	\$5,025 PSF	\$97,538 / Unit
AVERAGE	598 SF	\$11,968,252	\$20,014 PSF	\$104,801 / Unit

RENT COMPARISON

Apartment Name	Location	Sq.Ft/Unit	No. of Units	Monthly Rent
Bellevue Apartments	NA	450	18	\$800
Stratum at Indiana	Comparable	613	281	\$954
Stageyard Apartments	Comparable	517	161	\$946
Washington Place	Comparable	600	41	\$890
9 North	Slightly Inferior	600	54	\$919
7 Ten	Slightly Inferior	600	34	\$874

BUSINESS PLAN

RENOVATIONS



Grant Properties Website

Laundry Room Rehaul
Tile Flooring
\$750
New Washer Dryer (x2)
\$2600
Total
\$3350

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Business Plan

RENOVATIONS



2 Floor Lamps Per Unit

\$900



Total Rennovation Cost (Laundry + Lighting)

\$4250

Grant Properties Website

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Q&A

Thank you for the opportunity!