









# Case Study – Park Valley

## PARK VALLEY

Bridge > Permanent Loan > 100% Return of equity in 18 months.

	ACQUISITION	STABILIZATION
	Mar-20	Nov-21
<b>Property Info</b>		
Year Built	1971	
Class	C	
Acres	22.18	
Buildings	16	
Units	236	
<b>KPI</b>		
Long Term Down/Condemned	24	0
Economic Available Units	0	236
Occupancy	103	223
Average Rent / Unit	\$689	\$1,018
Annualized Net Operating Income	(\$86,000)	\$1,500,000
<b>Economics</b>		
Acquisition	\$16,776,985	
Capital Improvements	\$5,597,374	
<b>Valuation</b>	<b>\$22,374,359</b>	<b>\$34,200,000</b>
<b>Debt</b>		
1st Mortgage Loan	\$16,850,000	\$25,550,000
DCM LOAN	\$750,000	\$0
Total Debt	\$17,600,000	\$25,550,000

- ❑ Park Valley Acquired March 2020
  - ❑ 236-unit property
  - ❑ 100 Down Units & 26% Occupancy
  - ❑ 18 months \$16M increase in value on \$4M equity investment
- ❑ Value Add Strategy
  - ❑ Renovate units & stabilize occupancy at 95%
  - ❑ New Rents are \$1,075 1bd and \$1,275 2bd with waiting list
- ❑ Long term refinance 4Q 2021 75% LTV
  - ❑ 3.4% / 10 Year (40% reduction in interest) Fannie Mae Loan with Arbor as servicing agent

## PARK VALLEY LOAN

<b>Equity Cushion</b>	<b>\$4,774,359</b>	<b>\$8,650,000</b>
<b>REFI</b>		
LTV	\$16,850,000	\$25,550,000
Interest Payments	\$800,375	\$753,725
DSCR	N/A	1.99
Term	2 Yr	10 Yr
Interest Only	2 Yr	3 Yr
Repay Bridge Loan		\$16,850,000
Repay DCM / Other		\$3,772,103
<b>Return Of Equity + 12% Pref.</b>		<b>\$4,880,000</b>

- Return of capital + 12% accumulated Pref.
- 18 Month Turn around (during COVID)

- Value of Property \$34.2M
- Value of Equity \$8.7M
- Cash on Cash Return 3.35/1
- Annual Return 122%