SHELL POINTE APARTMENTS

MOBILE, AL

AN APARTMENT COMMUNITY

CONTENTS

SHELL POINTE
APARTMENTS

INVESTMENT OVERVIEW

We are pleased to present Shell Pointe Apartments, a 34-unit multifamily community strategically located in Mobile, Alabama. This Offering Memorandum provides an overview of the property, its location within one of the Gulf Coast's most diverse economic markets, and the investment opportunity it presents. We have also outlined key investment highlights and potential strategies for new ownership to further maximize value and operating performance.

EXECUTIVE SUMMARY

Shell Pointe Apartments is a 34-unit multifamily community located in Mobile, Alabama. Built in 1973, the property is situated along Old Shell Road in West Mobile, offering convenient access to major employment centers, retail destinations, healthcare providers, and educational institutions throughout the market.

Located near the Airport Boulevard commercial corridor and the University area, Shell Pointe benefits from strong renter demand driven by Mobile's diverse economy, including the Port of Mobile, aerospace, healthcare, manufacturing, and higher education sectors. With its established location and broad resident appeal, the property presents investors with the opportunity to acquire a well-positioned multifamily asset in one of the Gulf Coast's most dynamic markets.

INVESTMENT

Shell Pointe presents investors with a compelling value-add opportunity in one of Mobile's most strategically located multifamily submarkets. Situated in close proximity to the University of South Alabama, the property is well-positioned to capitalize on strong student housing demand while offering renovated units that appeal to today's renters. New ownership has the opportunity to further enhance the property's positioning through a student-focused leasing strategy and the addition of community amenities tailored to the university demographic. With limited purpose-built student housing options in the immediate area, Shell Pointe offers a unique opportunity to capture demand from the university's growing enrollment base, drive occupancy, and create long-term value through a differentiated living experience.

INVESTMENT HIGHLIGHTS

- As of May 2026. current ownership has locked in a new insurance premium that **reduces current insurance expense by nearly 50%**, allowing new ownership to run the property with significantly reduced operating expenses.
- The property delivers compelling returns today, with additional upside potential tied to **catering to students at the University of South Alabama** given the close proximity to Shell Pointe.
- New ownership has the opportunity to execute a targeted business plan and realize **an estimated exit valuation of $3.93 million, or approximately $115,708 per unit**, within as little as three years through hands-on management and operational improvements.

LOCATION

MOBILE, AL

Mobile is Alabama's only saltwater port city and serves as a major economic center for the Gulf Coast region. Anchored by the Port of Mobile, one of the nation's largest seaports, the city benefits from a diverse economy supported by aerospace, manufacturing, healthcare, logistics, shipbuilding, and higher education.

As the center of a metropolitan area of more than 400,000 residents, Mobile offers a strong employment base, extensive retail and healthcare amenities, and convenient access to regional transportation networks. Combined with its affordable cost of living and continued economic investment, these factors support stable housing demand and make Mobile one of the Gulf Coast's most established multifamily markets.

PROPERTY

Built in 1973, Shell Pointe Apartments is a 34-unit multifamily community located in Mobile, Alabama. The property consists of two-bedroom, one-bathroom apartment homes with appliances including dishwasher, range, oven, and refrigerator Residents also benefit from on-site laundry facilities and an established residential setting in West Mobile. With its functional floorplans, desirable location, and broad resident appeal, Shell Pointe offers a compelling investment opportunity in one of the Gulf Coast's most stable multifamily markets.

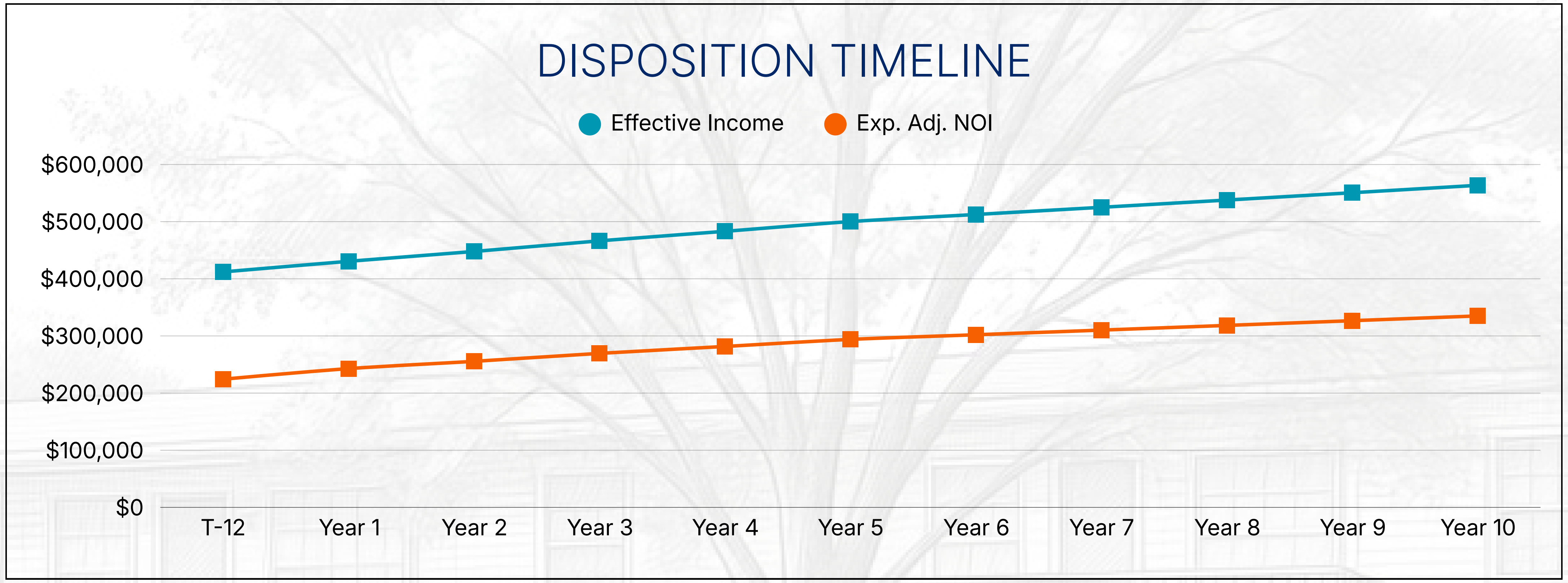
INVESTMENT OVERVIEW

PRICE	*Subject to Market*
PROPERTY NAME	Shell Pointe
ADDRESS	6601 Old Shell Rd, Mobile, AL 36608
MARKET	Mobile, AL | West Mobile
YEAR BUILT	1973
NUMBER OF UNITS	34
OCCUPANCY	100%
RENTABLE FT^2	32,300 ft^2
AVERAGE ASKING RENT	$1,100
RENT TYPE	Market

INVESTMENT OVERVIEW

As indicated in the accompanying table and charts, Shell Pointe's income projections are anticipated to rise to just over $500,000 over a five-year period. Following the execution of new ownership pushing rents through catering to students at the University of South Alabama and targeted exterior improvements & amenities, we project multiple disposition scenarios that reflect both operational execution and market-supported exit pricing.

FINANCIAL SNAPSHOT | T-12 - YEAR 5		
INCOME	T-12	YEAR 5
GPI	448,800	512,684
VACANCY	(5,551)	(17,944)
LOSS-TO-LEASE	(61,710)	(34,631)
CONCESSIONS	(50)	-
RUBS	13,292	20,933
OTHER INCOME	17,270	19,068
EFFECTIVE INCOME	412,051	500,110
EXPENSES	T-12	YEAR 5
PAYROLL	4,000	4,416
MANAGEMENT	34,194	42,509
G&A	4,348	4,800
R&M	53,111	27,602
LEGAL/PROFESSIONAL	-	4,600
TURNOVER	12,138	13,401
ADVERTISING	3,305	3,648
EXTERMINATOR	2,043	2,256
UTILITIES	32,093	35,434
DUMPSTER RENT	5,239	5,784
GROUNDS	7,200	7,949
INSURANCE	49,368	29,226
TAXES	20,188	24,524
TOTAL	$227,227	$206,150
EXP. ADJ. NOI	**$224,273**	**$293,960**



Using a 6.85% exit cap rate, we underwrite a 3-year hold disposition at approximately $3.93 million, or $115,708 per unit. Extending the hold to 5 years at an exit cap rate of 6.95% increases projected value to $4.23 million, or $124,401 per unit, while a longer-term 7-year hold at an exit cap rate of 7.00% yields an estimated $4.43 million exit, or $130,338 per unit.

These projected disposition values are supported by a clear, property-specific value creation strategy centered on catering the property to students at the University of South Alabama, due to Shell Pointe's strategic location near the school. The various hold period scenarios reflect the upside available through continued execution of this business plan.

DISPOSITION TIMELINE

ACQUISITION
Subject to Market

→

3-YEAR HOLD
$3.93 Million
$115,708/unit

→

5-YEAR HOLD
$4.23 Million
$124,401/unit

→

7-YEAR HOLD
$4.43 Million
$130,338/unit

SHELL POINTE
APARTMENTS

PROPERTY

Shell Pointe Apartments is a 34-unit multifamily community located in Mobile, Alabama. Constructed in 1973, the property offers a consistent mix of two-bedroom apartment homes within an established neighborhood setting. Its modest scale and straightforward operations provide an attractive opportunity for investors seeking a manageable asset with stable cash flow characteristics.

PROPERTY SUMMARY

OVERVIEW

PROPERTY NAME	Shell Pointe Apartments
ADDRESS	6601 Old Shell Rd, Mobile, AL 36608
MARKET	Mobile, AL
SUBMARKET	West Mobile
YEAR BUILT	1976
NUMBER OF UNITS	34
FLOORPLAN	2 Bed 1 Bath
T-1 OCCUPANCY	100%
RENTABLE FT^2	32,300 ft^2
AVERAGE UNIT SIZE	950 ft^2
RENT TYPE	Market

PROPERTY

LAND AREA	1.83 Acres
SITE LAYOUT	3 Two-Story Buildings
FLOOD ZONE	B & X Zone
PARKING	On-Site Surface Lot,
EXTERIOR MATERIALS	Masonry
ROOF	Pitched Shingle
FOUNDATION	Slab
STYLE	2-Story Garden Style

AMENITIES

- Air Conditioning
- Range & Oven
- Dishwasher
- Refrigerator & Freezer
- Tub/Shower
- Laundry Facilities

Some images have been digitally enhanced for visual clarity and to highlight seasonal changes.

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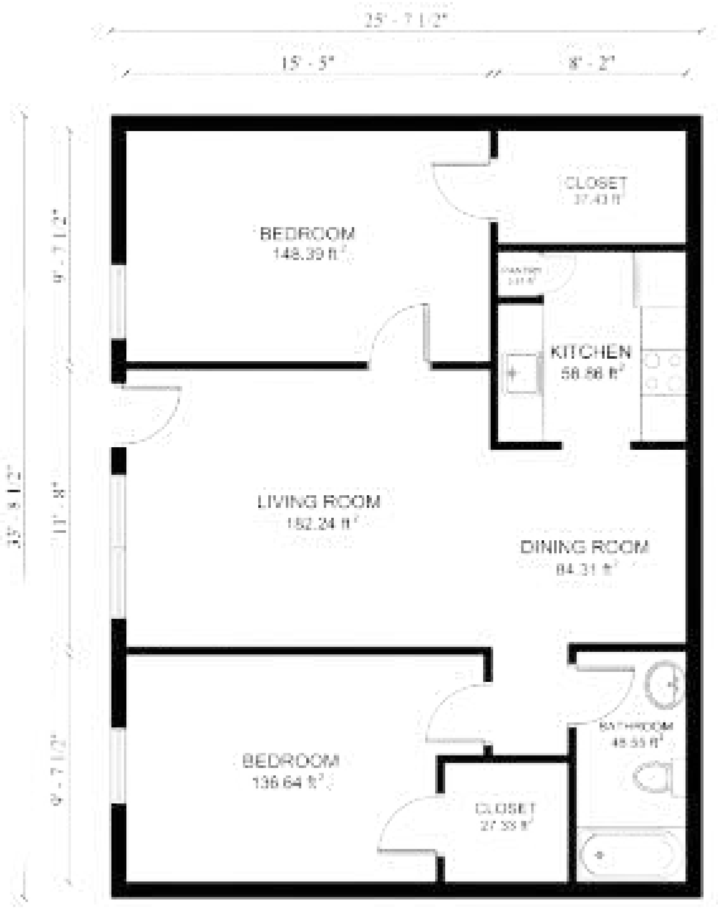
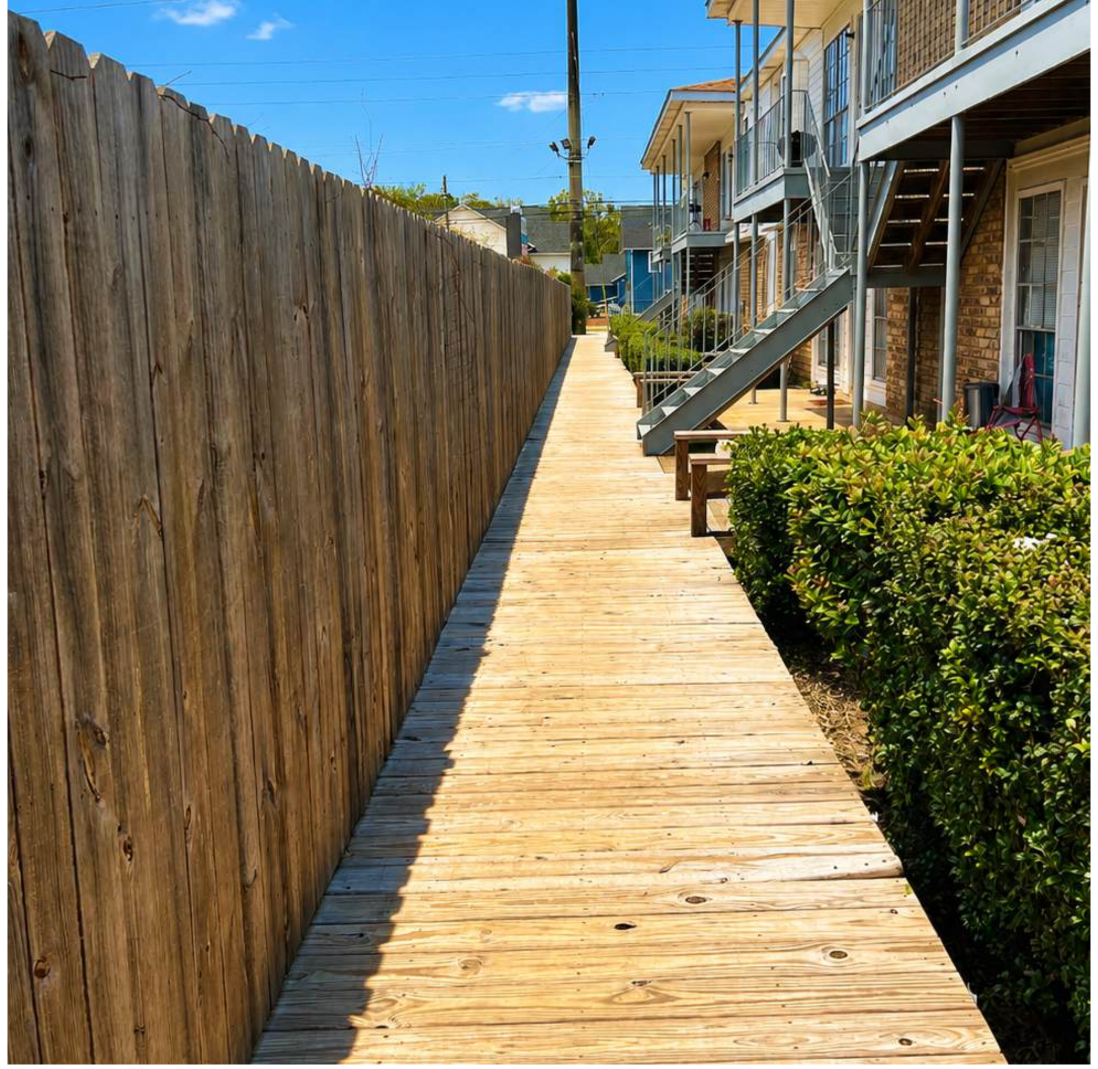

25' - 7 1/2"
15' - 5"
8' - 2"
CLOSET
37.43 ft²
BEDROOM
148.39 ft²
KITCHEN
58.66 ft²
LIVING ROOM
182.24 ft²
DINING ROOM
84.31 ft²
BATHROOM
BEDROOM
136.64 ft²
CLOSET
27.38 ft²


SHELL POINTE
APARTMENTS



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SHELL POINTE
APARTMENTS

SHELL POINTE
APARTMENTS

MARKET & SUBMARKET

Located in Mobile, Alabama, Shell Pointe Apartments benefits from both the area's established coastal economy and its immediate proximity to major educational hubs. The nearby University of South Alabama provides a stable local employment and tenant base, while the broader Mobile region supports the area with diverse local workforce opportunities. Positioned within one mile of the university campus, the property offers residents excellent access to these educational and employment centers while maintaining the strong, consistent rental demand characteristic of the growing Gulf Coast market

MARKET OVERVIEW

Discover the convenience of West Mobile at Shell Pointe Apartments. Situated along Old Shell Road, the property offers residents easy access to shopping, dining, healthcare, and everyday services. The community also benefits from its proximity to the University of South Alabama and Spring Hill College, two of the area's leading institutions of higher education, while major transportation routes provide connectivity throughout the Mobile metropolitan area.

MOBILE, AL: A HISTORIC GULF COAST HUB

With a captivating history spanning nearly 325 years, this coastal town has countless tales to share and cherished traditions celebrated frequently. Once dubbed the Paris of the South, Mobile has consistently served as the cultural hub of the Gulf Coast, offering an unparalleled experience in the southern United States.

As one of the Gulf Coast's cultural centers, Mobile has several art museums, a symphony orchestra, professional opera, professional ballet company, and a large concentration of historic architecture. One cultural highlight for the city is Mardi Gras. Mobile is known for having the oldest organized Carnival or Mardi Gras celebrations in the United States. Alabama's French Creole population celebrated this festival from the first decade of the 18th century.

POPULATION INSIGHTS

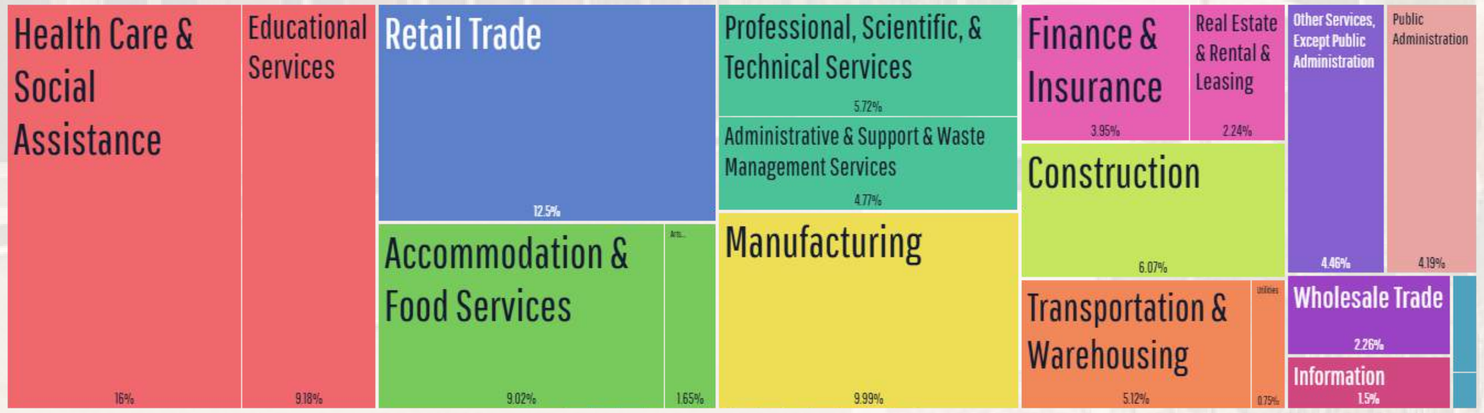
DEMOGRAPHICS	
Population	205,000
Employed Population	179,356
Median Income	$53,558
Median Property Value	$200,00

OCCUPATIONS

The most common job groups, by number of people living in Mobile, AL, are Office & Administrative Support Occupations (9,939 people), Sales & Related Occupations (9,592 people), and Management Occupations (8,894 people).

INDUSTRIES

The most common employment sectors for those who live in Mobile, AL, are Health Care & Social Assistance (14,610 people), Retail Trade (11,261 people), and Manufacturing (9,306 people).



ECONOMIC OVERVIEW | MOBILE, AL

PORT OF MOBILE

THYSSENKRUPP

AIRBUS MANUFACTURING

With its low business costs and a varied employment base, Mobile has become an attractive destination for companies in recent years. Businesses are drawn to Mobile because of its expanding ports and dependable rail and intermodal service connections. Mobile is capable of managing a broad range of logistics requirements, from large-scale bulk cargo operations to complex container shipping, significantly transforming its economic landscape. The city is now playing a strategic role in transportation and supply chain management, quickly establishing itself as a vital logistics hub in the southeastern United States.

INDUSTRIES & EMPLOYERS

In addition to historic involvement in tourism and hospitality, Mobile's economy boasts significant strengths in sectors such as manufacturing, maritime, logistics and distribution, aerospace, and steel.

MARITIME AND SHIPBUILDING

THE PORT OF MOBILE

The Port of Mobile is one of the busiest in the United States. It's a vital hub for trade and logistics for goods like coal, steel, chemicals, and agricultural products. The port's Location on the Gulf Coast makes it an important hub for international trade, especially with Europe, Latin America, and Asia. Contributes $22 billion annually to the state's economy. The port provides 135,000 jobs in the state of AL, with most being concentrated in Mobile. Ranges from dock workers and logisticians to administrative roles and high skilled positions in engineering and management. Recent $350 million expansion of its container terminal to handle more large bulk cargo.

AUSTAL USA SHIPYARD

Austal USA Shipyard is a significant employer, manufacturing military and commercial vessels such as Littoral Combat Ships (LCS) and other navy vessels. Employs 4,000 people. Skilled and unskilled labor. Constructs and delivers military vessels for the US Navy. The shipyard's economic impact exceeds $1 Billion to the state of Alabama annually. For every job created at the shipyard, an additional 2.5 jobs are created in the local economy, meaning Austal Shipyard indirectly supports more than 10,000 jobs in the region.

AEROSPACE AND AVIATION

AIRBUS MANUFACTURING FACILITY

Airbus Manufacturing Facility. Assembles high quality commercial aircraft. Recent expansion and terminal added to assemble A-320's. Airbus employs over 1,000 people with skilled and unskilled positions. Generates $4.3 Billion to the state of Alabama.

VT MOBILE AEROSPACE ENGINEERING

VT Mobile Aerospace Engineering. Employs over 700 people in Mobile and generates hundreds of millions of dollars annually. Collaborates with local colleges including Bishop State Community College and University of South Alabama.

UNIVERSITY OF SOUTH ALABAMA

DOWNTOWN MOBILE

MARDI GRAS PARADE

INDUSTRIES & EMPLOYERS

MANUFACTURING SECTOR

The region boasts a robust manufacturing base, particularly in industries such as chemicals, paper products, and steel. One major manufacturing business in the area is International Paper. The company employs over 1,000 individuals and contributes hundreds of millions of dollars to the local economy each year. ThyssenKrupp is another major player in the area, with a workforce exceeding 2,000, this company operates a steel mill and a stainless steel plant, generating billions of dollars in economic output annually. They produce carbon steel, stainless steel, and various metal products for automotive, construction, and industrial manufacturing sectors.

ENERGY

Mobile is situated in the Gulf Coast oil and gas region, where energy-related sectors such as exploration, production, and refining are crucial to the local economy. This area contributes 17-20% of the nation's oil and 5-6% of its natural gas. It generates hundreds of billions of dollars each year for the regional economy and brings in over $30 billion annually from federal offshore leasing and production.

TECHNOLOGY AND RESEARCH

The University of South Alabama promotes innovation and research, playing a vital role in the expanding tech and cybersecurity industries in the region. Additionally, there is Bishop State Community College. The University of South Alabama serves around 11,000 students and employs approximately 5,000 staff members, while Bishop State Community College has about 3,000 students and 400 employees.

TOURISM

As the original home of Mardi Gras, Mobile boasts a thriving tourism industry thanks to its coastal location. Year-round, attractions such as the USS Alabama Battleship Memorial Park and the Mobile Museum of Art draw in visitors. Mardi Gras alone contributes approximately $20 to $30 million each year to the local economy.

HEALTHCARE

Providence Hospital and the University of South Alabama Health System play a pivotal role in attracting healthcare professionals and providing employment opportunities. Mobile acts as a medical hub for the surrounding area, with Providence offering 349 beds and a diverse range of medical services, including emergency care, surgery, maternity services, and specialized treatments. Additionally, Mobile houses the South Alabama Health System, which encompasses the University of South Alabama Health and boasts over 500 beds across multiple facilities, such as USA Health University Hospital, USA Health Children's & Women's Hospital, and USA Health Mitchell Cancer Institute.

LOCATION HIGHLIGHTS

HIGHER EDUCATION

UNIVERSITY OF SOUTH ALABAMA

SPRING HILL COLLEGE

UNIVERSITY OF SOUTH ALABAMA

Located approximately one mile from Shell Pointe, the University of South Alabama is a major public research university serving more than 14,000 students across undergraduate, graduate, doctoral, and professional programs. The university is nationally recognized for its programs in medicine, nursing, engineering, business, and the sciences and serves as the anchor of the region's healthcare and research ecosystem through its USA Health network. As one of Mobile's largest employers and educational institutions, the university generates significant economic activity, attracts a highly skilled workforce, and provides a consistent source of housing demand within the surrounding area.

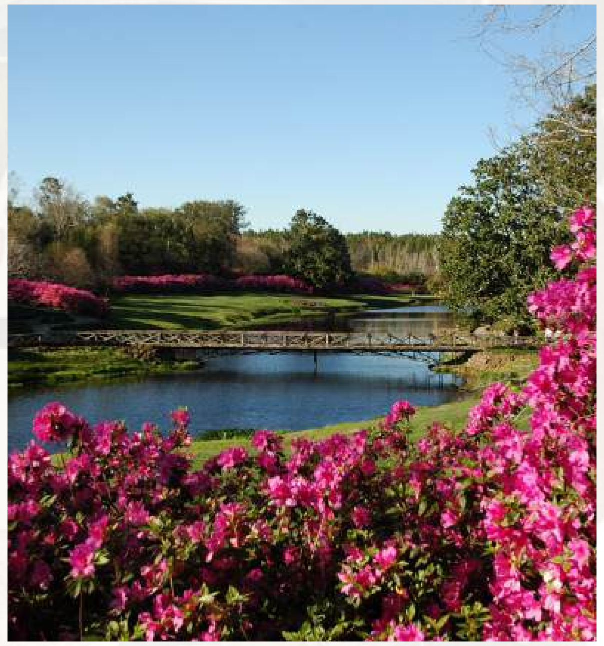
SPRINGHILL COLLEGE

Located approximately four miles from Shell Pointe, Spring Hill College is Alabama's oldest institution of higher education and one of the oldest Jesuit colleges in the United States. Founded in 1830, the private liberal arts college offers a broad range of undergraduate and graduate programs with a strong emphasis on academic excellence, leadership, and service. The college's historic campus, engaged alumni network, and longstanding presence in Mobile contribute to the city's reputation as a regional center for higher education and workforce development.

LOCAL CHARM

Shell Pointe offers convenient access to many of Mobile's most popular attractions, entertainment venues, and outdoor recreation opportunities. Residents are just minutes from shopping and dining destinations, the historic downtown waterfront, and cultural attractions such as museums, theaters, and annual festivals. Outdoor enthusiasts can enjoy nearby parks, golf courses, and the scenic Mobile Bay shoreline, while the area's vibrant arts, dining, and entertainment scene provides year-round opportunities for recreation and community engagement. The following retailers, restaurants, and entertainment destinations represent a sample of the diverse shopping and lifestyle amenities available throughout the Mobile market, including several local favorites and regional establishments unique to the Gulf Coast.

- Carpe Diem
- USS Alabama Battleship Memorial Park
- Mobile Carnival Museum
- Bellingrath Gardens and Home
- Mobile Botanical Gardens
- The Wharf (regional destination)
- Cooper Riverside Park
- BHancock Whitney Stadium
- University of South Alabama
- Spring Hill College
- University Hospital
- Insomnia Cookies
- Chicken Salad Chick
- Publix
- Pout Baby Boutique
- Aztecas Restaurant & Cantina
- Shogun Japanese Steakhouse
- Bonefish Grill
- Club4 Fitness
- Pack Thirty Fit
- Pure Barre
- University Boulevard Shopping & Dining District



LOCATION AMENITIES

Shell Pointe residents benefit from convenient access to major roadways throughout the Mobile metropolitan area, providing connectivity to employment centers, higher education institutions, healthcare facilities, and retail destinations. The surrounding area offers a variety of shopping, dining, and everyday conveniences, while the property's location in West Mobile supports broad resident appeal and sustained multifamily demand.

DINING & RESTAURANTS

Business	Type	Distance
Winn-Dixie Oyster House	Seafood Restaurant	0.5 mi
Sho Gun	Japanese Restaurant	0.6 mi
Bonefish Grill	Seafood Restaurant	0.7 mi
Chick-fil-A	Fast Food	1.1 mi
LongHorn Steakhouse	Steakhouse	1.2 mi
Starbucks Coffee Company	Coffee Shop	1.2 mi
Texas Roadhouse	Steakhouse	1.2 mi
Chicken Salad Chick	Fast Casual	1.3 mi
Mellow Mushroom	Pizza Restaurant	1.4 mi
Panera Bread	Bakery Café	2.1 mi
Carrabba's Italian Grill	Italian Restaurant	3.2 mi
BJ's Restaurant & Brewhouse	Casual Dining	3.6 mi

GROCERY & FOOD RETAIL

Business	Type	Distance
Walmart Neighborhood Market	Grocery Store	0.8 mi
Rouses Market	Grocery Store	1.7 mi
Walmart Supercenter	Grocery & General Merchandise	1.8 mi
Piggly Wiggly	Grocery Store	1.8 mi
Publix Super Market	Grocery Store	1.9 mi
The Fresh Market	Specialty Grocery	3.1 mi

SHOPPING & RETAIL

Business	Type	Distance
Hobby Lobby	Arts & Crafts	1.7 mi
OfficeMax	Office Supply	1.8 mi
PetSmart	Pet Supplies	1.8 mi
Ulta Beauty	Beauty Retail	1.8 mi
Target	Department Store	2.2 mi
T.J. Maxx	Off-Price Retail	3.1 mi

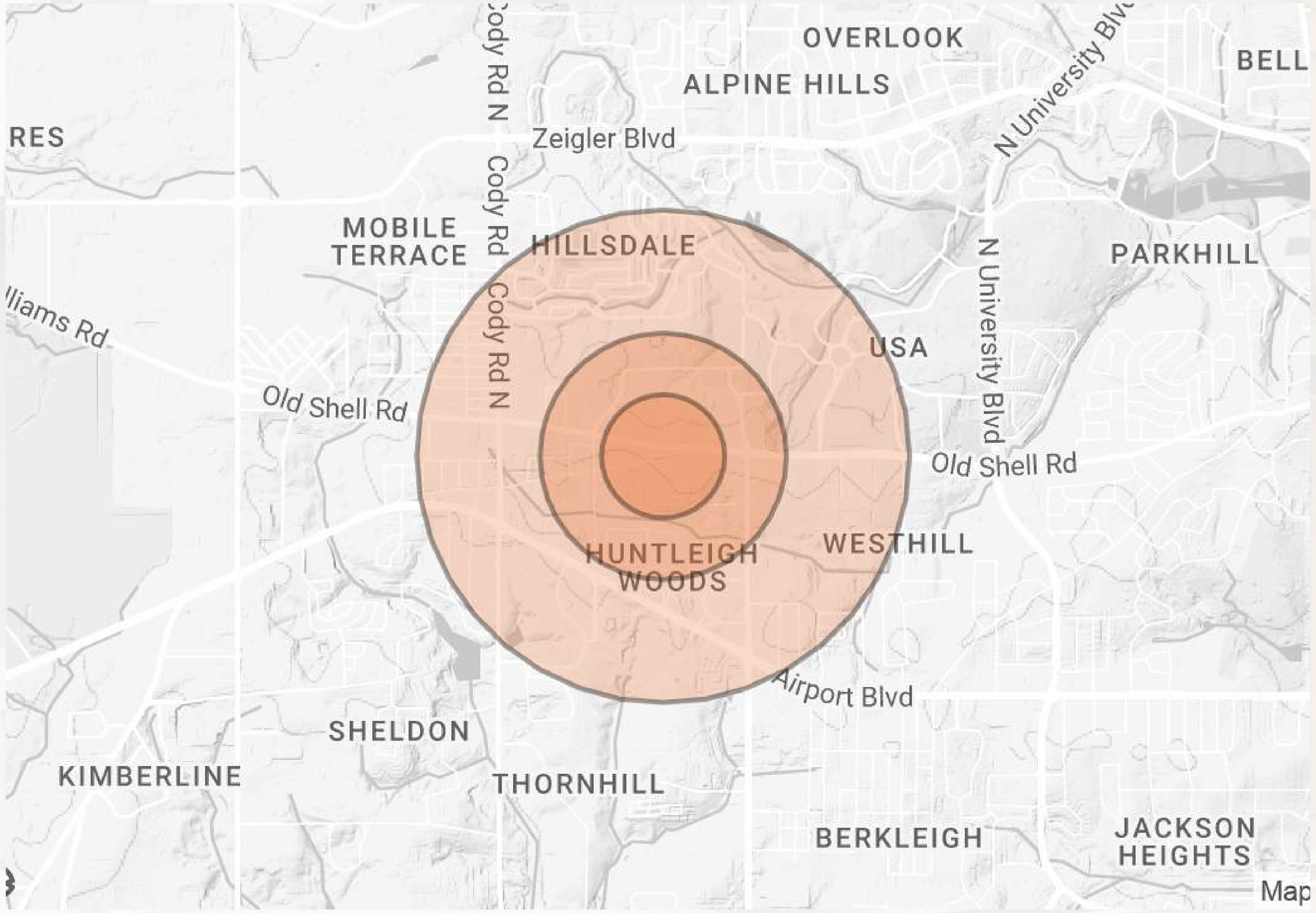
SERVICES

Business	Type	Distance
Walgreens	Pharmacy	0.9 mi

LOCATION DEMOGRAPHICS

Shell Pointe Apartments is strategically located just one mile from the University of South Alabama and four miles from Springhill College. This close proximity to major educational institutions directly impacts the local demographics, driving a notably youthful, vibrant population that forms a strong prospective tenant base. Driven by the local student and young professional presence, the average age within just a quarter-mile of the property is exceptionally low at 26.0 years. This youthful trend continues outward, with an average age of 28.6 across 1,252 households within a half-mile radius, and an average age of 29.9 among the 8,099 residents within a one-mile radius.

Despite the younger demographic profile, the surrounding community demonstrates solid economic fundamentals. Within a one-mile radius, average household incomes are nearly 60,000(59,836) and average home values exceed $240,000.



POPULATION	0.25 MILES	0.5 MILES	1 MILE
Total Population	807	2,555	8,099
Average Age	26.0	28.6	29.9
Average Age (Male)	24.4	27.9	30.6
Average Age (Female)	30.6	31.4	32.2

HOUSEHOLDS & INCOME	0.25 MILES	0.5 MILES	1 MILE
Total Households	440	1,252	3,452
# of Persons per HH	1.8	2.0	2.3
Average HH Income	&43,915	$51,962	$59,836
Average House Value	$109,330	$181,388	$240,629

SHELL POINTE
APARTMENTS

FINANCIALS

In this section of the Offering Memorandum, you will find a detailed outline of our Underwriting Assumptions. Additionally, we have provided the Property Details, Cash Flow Projections, Annual Operating Comparison, and Sales & Rent Comps.

UNDERWRITING ASSUMPTIONS
SHELL POINTE

At SVN | AVAT, we understand that each property is completely unique. That's why our team of analysts carefully evaluate the financial and public documents available and create a highly specific underwriting. We have found that there is often key information behind the financial documents that can help in assessing the true value of the asset. We learn this information throughout the Underwriting process and have summarized those points below to allow for a fully informed and accurate underwriting for all parties involved.

INCOME

RENTAL INCOME

In our Pro Forma, we have conservatively underwritten annual rent increases of approximately $29 to $45 per unit, which should be attainable under new ownership, noting the close proximity to the University of South Alabama and the desirability of Shell Pointe's strategic location for students.

RUBS

As seen within the current financials, RUBS collections have increased by roughly 41% between the T-12 and the T-3. In our Pro Forma, we have modeled RUBS collections continuing on at the heightened T-3 figure.

	CURRENT	PRO FORMA		
INCOME	T-12	YEAR 1	YEAR 2	YEAR 3
GPI	448,800	454,410	469,178	483,254
VACANCY	(5,551)	(15,904)	(16,421)	(16,914)
LOSS-TO-LEASE	(61,710)	(44,880)	(42,636)	(38,372)
CONCESSIONS	(50)	-	-	-
RUBS	13,292	19,339	19,726	20,121
OTHER INCOME	17,270	17,616	17,968	18,327
EFFECTIVE INCOME	412,051	430,581	447,815	466,415

EXPENSES

LEGAL/PROFESSIONAL

Although there are no explicit Legal/Professional expenses within the current financials, we have allocated $125/unit of Legal/Professional expenses in the Pro Forma to account for potential eviction, credit check, and accounting expenses.

REPAIRS & TURNOVER

We have conservatively underwritten Repairs & Maintenance expenses at approximately $750 per unit annually and Turnover costs at $364 per unit annually, for a combined operating assumption of roughly $1,115 per unit. This figure is much lower than the property's recent historical average of approximately $1,920 per unit for combined R&M and turnover expenses, which is largely due to non-recurring repair costs that will not recur annually under new ownership.

Additionally, we have allocated $600 per unit annually to replacement reserves in order to adequately fund future capital needs and maintain the long-term physical condition of the asset.

INSURANCE

In Year 1 of our Pro Forma, we have modeled the new insurance premium secured by current ownership in May 2026, which cut insurance expenses at the property by nearly 50%. *Please reach out to one of our brokers with any questions regarding the new insurance premium.*

EXPENSES	T-12	PER DOOR	YEAR 1	PER DOOR	DIFFERENCE (%)
PAYROLL	4,000	118	4,080	120	+2.0%
MANAGEMENT	34,194	8.30%	36,599	8.50%	--%
G&A	4,348	128	4,435	130	+2.0%
R&M	53,111	1,562	25,500	750	**-52.0%**
LEGAL/PROFESSIONAL	-	0	4,250	125	--%
TURNOVER	12,138	357	12,381	364	+2.0%
ADVERTISING	3,305	97	3,371	99	+2.0%
EXTERMINATOR	2,043	60	2,084	61	+2.0%
UTILITIES	32,093	944	32,735	963	+2.0%
DUMPSTER RENT	5,239	154	5,344	157	+2.0%
GROUNDS	7,200	212	7,344	216	+2.0%
INSURANCE	49,368	1,452	27,000	794	**-45.3%**
TAXES	20,188	594	22,656	666	+12.2%
TOTAL EXPENSES	$227,227	$6,683	$187,778	$5,523	**-17.4%**

INVESTMENT OVERVIEW

PRICE	*Subject to Market*
PROPERTY	Shell Pointe
ADDRESS	6601 Old Shell Rd, Mobile, AL 36608
MARKET	Mobile, AL | Bayou La Batre
YEAR BUILT	1973
NUMBER OF UNITS	34
T-1 OCCUPANCY	97%
UW OCCUPANCY	97%
RENTABLE FT^2	32,000 ft^2

PROPERTY TAXES

STATE	AL
COUNTY	Mobile
CITY	Mobile
ASSESSMENT RATIO	20%
2025 TAX VALUE	$2,138,558
ASSESSED VALUE	$427,712
MILLAGE RATE	4.72%
2025 TOTAL PROPERTY TAXES	$20,188
PROJECTED PROPERTY TAX	$22,656

UNIT MIX SUMMARY

Unit Type	# Units	Unit Size	Effective	PSF	GPI	Market	PSF	GPI
2 BD 1 BA	34	950	$963	$1.01	$392,904	$1,100	$1.16	$448,800
Total	**34**	**32,300**	**$963**	**$1.01**	**$392,904**	**$1,100**	**$1.16**	**$448,800**

ANNUAL OPERATING COMPARISON

	T-12 INCOME/EXPENSES		T-3 INCOME/ T-12 EXPENSES		T-1 INCOME/ T-12 EXPENSES		YEAR 1 PRO FORMA	
	Annual	Per Unit	Annual	Per Unit	Annual	Per Unit	Annual	Per Unit
Scheduled Market Rents	448,800	13,200	448,800	13,200	448,800	13,200	454,410	13,365
Loss to Lease	(61,710)	(1,815)	(57,222)	(1,683)	(56,100)	(1,650)	(44,880)	(1,320)
Gross Potential Income	$387,090	11,385	$391,578	11,517	$392,700	11,550	$409,530	12,045
Vacancy	(5,551)	(163)	(3,738)	(110)	(13,116)	(386)	(15,904)	(468)
Concessions	(50)	(1)	0	0	0	0	0	0
RUBS	13,292	391	18,760	552	18,960	558	19,339	569
Other Income	17,270	508	16,493	485	21,372	629	17,616	518
Effective Income	$412,051	12,119	$423,093	12,444	$419,916	12,350	$430,581	11,426
Payroll	4,000	118	4,000	118	4,000	118	4,080	120
Management	34,194	1,006	34,194	1,006	34,194	1,006	36,599	1,076
G&A	4,348	128	4,348	128	4,348	128	4,435	130
R&M	53,111	1,562	53,111	1,562	53,111	1,562	25,500	750
Legal and Professional	0	0	0	0	0	0	4,250	125
Turnover	12,138	357	12,138	357	12,138	357	12,381	364
Advertising/Marketing	3,305	97	3,305	97	3,305	97	3,371	99
Exterminator	2,043	60	2,043	60	2,043	60	2,084	61
Utilities	32,093	944	32,093	944	32,093	944	32,735	963
Dumpster Rent	5,239	154	5,239	154	5,239	154	5,344	157
Grounds	7,200	212	7,200	212	7,200	212	7,344	216
Insurance	49,368	1,452	49,368	1,452	49,368	1,452	27,000	794
Taxes	20,188	594	20,188	594	20,188	594	22,656	666
Total Operating Expenses	$227,227	6,683	$227,227	6,683	$227,227	6,683	$187,778	5,523
NOI before Reserves	$184,824	5,436	$195,866	5,761	$192,689	5,667	$242,803	7,141
Replacement Reserves	11,000		11,000		11,000		20,400	
NOI after Reserves	$173,824	5,112	$184,866	5,437	$181,689	5,344	$222,403	6,541

FORECAST ASSUMPTIONS

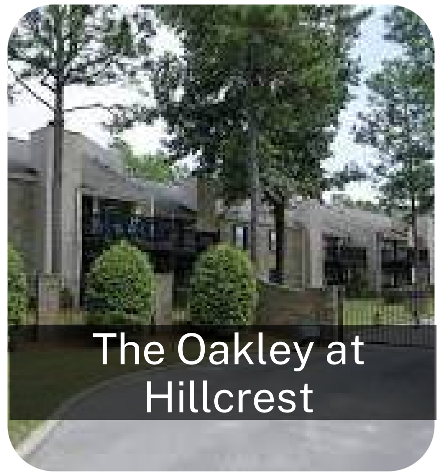
Market Rent Growth	1.25%	3.25%	3.00%	3.00%	3.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Loss to Lease	9.88%	9.09%	7.94%	7.32%	6.75%	6.29%	5.86%	5.46%	5.08%	4.73%
Vacancy	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Other Income Growth	6.81%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Expense Growth	-17.36%	2.39%	2.43%	2.32%	2.31%	2.10%	2.09%	2.09%	2.08%	2.07%

CASH FLOW PROJECTIONS

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
Scheduled Market Rents	454,410	469,178	483,254	497,751	512,684	522,938	533,396	544,064	554,945	566,044
Loss to Lease	(44,880)	(42,636)	(38,372)	(36,454)	(34,631)	(32,900)	(31,255)	(29,692)	(28,207)	(26,797)
Gross Potential Income	409,530	426,542	444,881	461,298	478,053	490,038	502,142	514,372	526,738	539,247
Vacancy	(15,904)	(16,421)	(16,914)	(17,421)	(17,944)	(18,303)	(18,669)	(19,042)	(19,423)	(19,812)
RUBS	19,339	19,726	20,121	20,523	20,933	21,352	21,779	22,215	22,659	23,112
Other Income	17,616	17,968	18,327	18,694	19,068	19,449	19,838	20,235	20,640	21,052
Effective Income	430,581	447,815	466,415	483,093	500,110	512,536	525,090	537,780	550,614	563,601
Payroll	4,080	4,162	4,245	4,330	4,416	4,505	4,595	4,687	4,780	4,876
Management	36,599	38,064	39,645	41,063	42,509	43,566	44,633	45,711	46,802	47,906
Administrative	4,435	4,523	4,614	4,706	4,800	4,896	4,994	5,094	5,196	5,300
Repairs & Maintenance	25,500	26,010	26,530	27,061	27,602	28,154	28,717	29,291	29,877	30,475
Legal & Professional	4,250	4,335	4,422	4,510	4,600	4,692	4,786	4,882	4,980	5,079
Turnover	12,381	12,628	12,881	13,139	13,401	13,669	13,943	14,222	14,506	14,796
Advertising & Marketing	3,371	3,438	3,507	3,577	3,648	3,721	3,796	3,872	3,949	4,028
Exterminator	2,084	2,126	2,168	2,211	2,256	2,301	2,347	2,394	2,442	2,490
Utilities	32,735	33,390	34,058	34,739	35,434	36,142	36,865	37,602	38,354	39,121
Dumpster	5,344	5,450	5,559	5,671	5,784	5,900	6,018	6,138	6,261	6,386
Grounds	7,344	7,491	7,641	7,794	7,949	8,108	8,271	8,436	8,605	8,777
Insurance	27,000	27,540	28,091	28,653	29,226	29,810	30,406	31,015	31,635	32,267
Taxes	22,656	23,109	23,571	24,043	24,524	25,014	25,514	26,025	26,545	27,076
Total Operating Expenses	187,778	192,266	196,932	201,495	206,150	210,479	214,884	219,368	223,932	228,578
NOI before Reserves	242,803	255,549	269,484	281,598	293,960	302,057	310,206	318,412	326,682	335,022
Replacement Reserves	20,400	20,808	21,224	21,649	22,082	22,523	22,974	23,433	23,902	24,380
NOI after Reserves	222,403	234,741	248,260	259,950	271,879	279,534	287,232	294,979	302,780	310,642

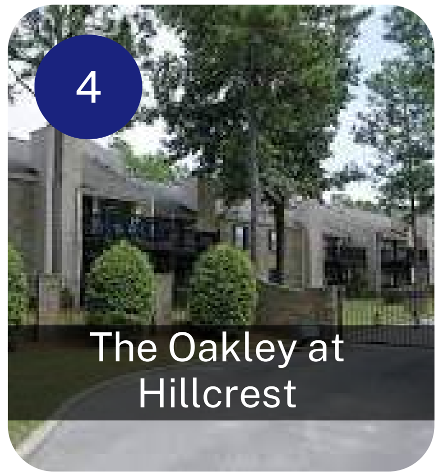
SALES COMPARABLES

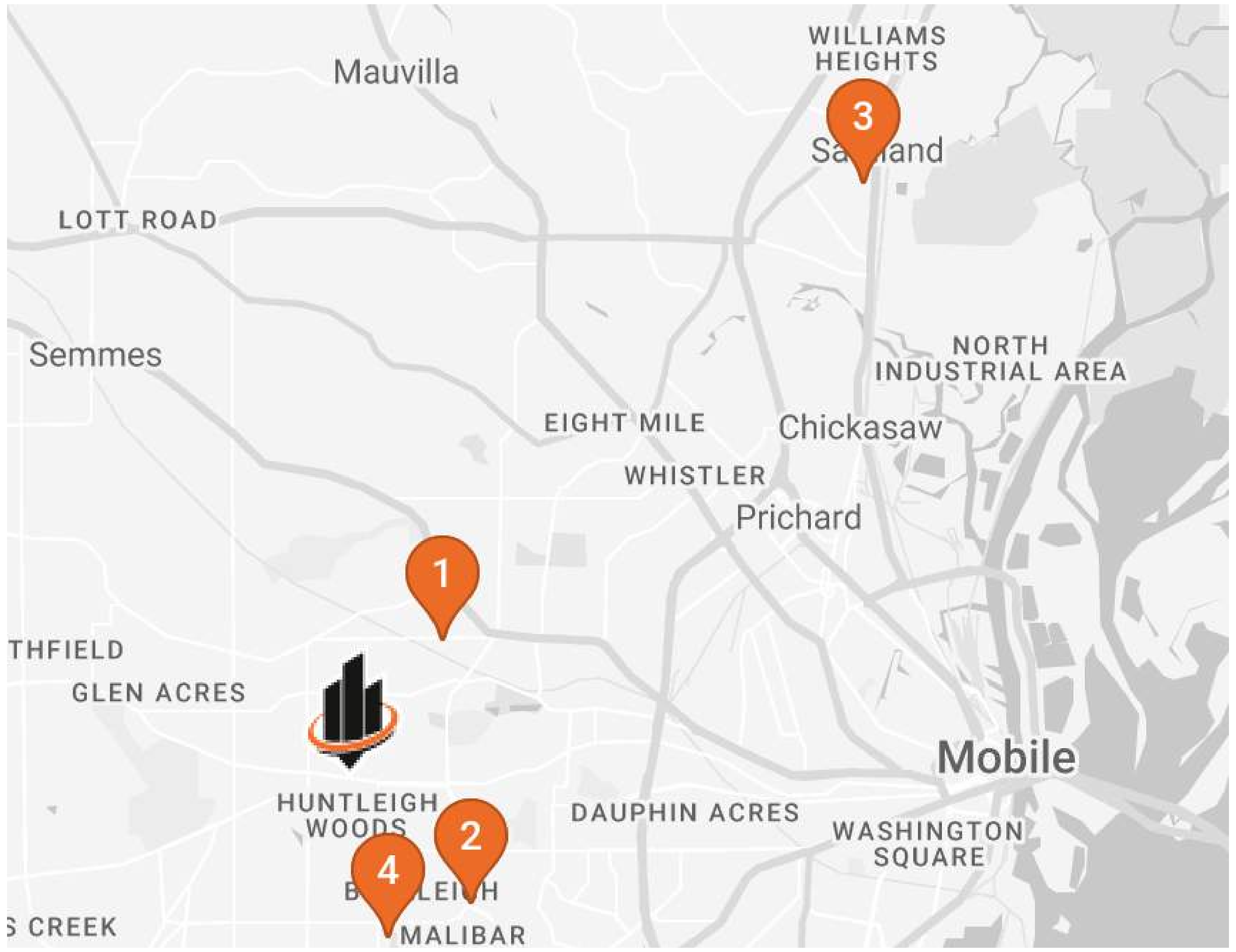
Comparable multifamily sales have been included to provide investors with relevant market context for evaluating Shell Pointe Apartments. Due to the limited number of recent transactions involving properties with similar vintage, size, and location characteristics within the immediate submarket, comparable sales from the broader Mobile market and the surrounding Gulf Coast region were selected. These properties were chosen based on similarities in asset type, unit count, age, and investment profile, providing useful benchmarks for assessing investor demand, pricing trends, and potential value within the market.



PROPERTY	UNITS	AVG. ASKING RENT	AVG. UNIT SIZE	BLDG. SF	SALE DATE	YR BUILT	PRICE	PRICE/UNIT	GRM	PRICE/SF	AMI (2 MI.)
SHELL POINTE 6601 Old Shell Rd Mobile, AL 36608	34	$1,100	950	32,300	--	1973	--	--	--	--	$50,176
OVERLOOK VILLAS 5751 Overlook Rd Mobile, AL 36618	12	$712	900	10,800	1/2024	1978	$860,000	$71,667	8.39	$79.63	$60,839
701 SOUTH APARTMENTS 701 S University Blvd Mobile, AL 36609	208	$914	695	144,560	1/2025	1975/1995	$16,325,088	$78,486	7.16	$112.93	$52,519
COUNTRY HAVEN 100 Mckeough Ave Saraland, AL 36571	167	$1,061	800	133,600	1/2025	1978	$14,530,000	$87,006	6.83	$108.76	$49,999
THE OAKLET AT HILLCREST 1601 Hillcrest Rd Mobile, AL 36695	104	$1,439	1,100	114,400	10/2024	1981/2002	$11,000,000	$105,769	6.13	$96.15	$56,622

SALES COMPARABLES | LOCATIONS



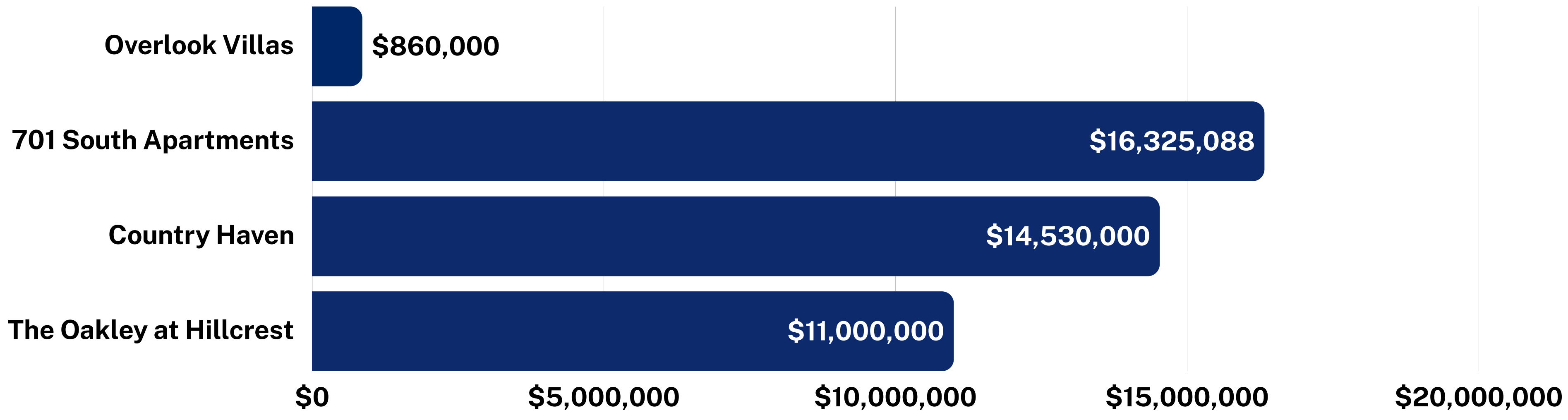


PROPERTY	YR BUILT	UNITS	AMI	SALE DATE	PRICE	PRICE/UNIT	PRICE/SF
SHELL POINTE 6601 Old Shell Rd Mobile, AL 36608	1973	34	$50,176	--	--	--	--
OVERLOOK VILLAS 5751 Overlook Rd Mobile, AL 36618	1978	12	$60,839	1/2024	$860,000	$71,667	$79.63
701 SOUTH APARTMENTS 701 S University Blvd Mobile, AL 36609	1975/1995	208	$52,519	1/2025	$16,325,088	$78,486	$112.93
COUNTRY HAVEN 100 Mckeough Ave Saraland, AL 36571	1978	167	$49,999	1/2025	$14,530,000	$87,006	$108.76
THE OAKLET AT HILLCREST 1601 Hillcrest Rd Mobile, AL 36695	1981/2002	104	$56,622	10/2024	$11,000,000	$105,769	$96.15

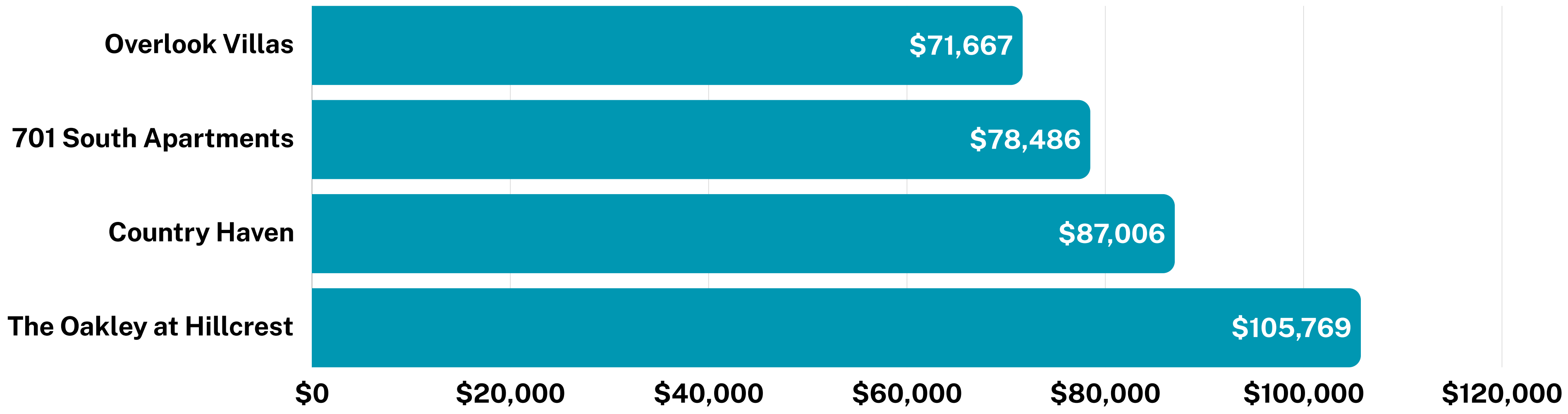
SALES COMPARABLES | PRICE ANALYSIS

	SALE PRICE	PRICE/UNIT	PRICE/SF
Shell Pointe	--	--	--
Overlook Villas	$860,000	$71,667	$79.63
701 South Apartments	$16,325,088	$78,486	$112.93
Country Haven	$14,530,000	$87,006	$108.76
The Oakley at Hillcrest	$11,000,000	$105,769	$96.15

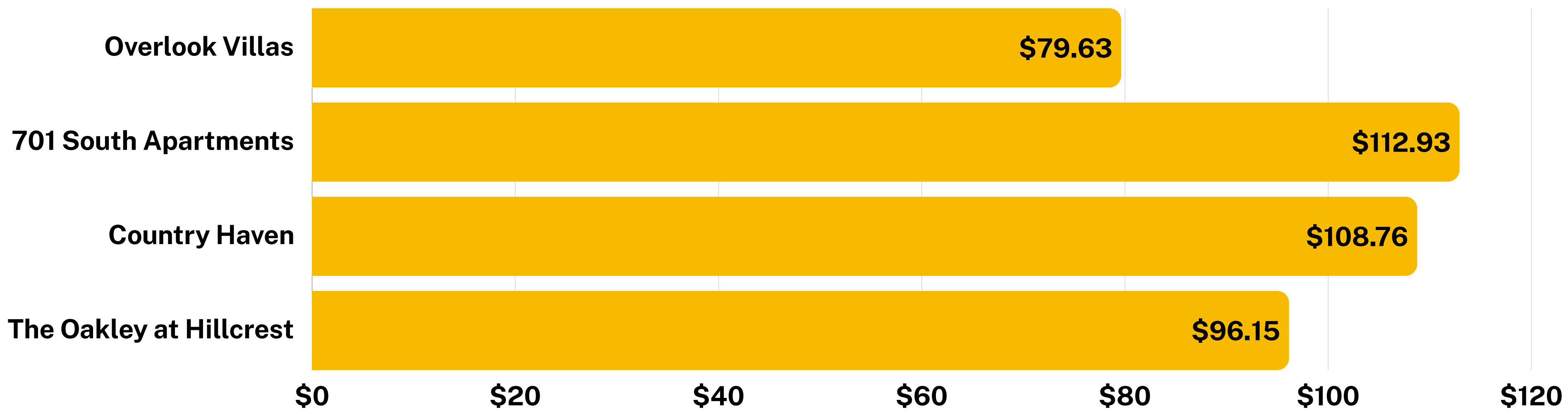
Sale Price



Price per Unit



Price per Square Foot

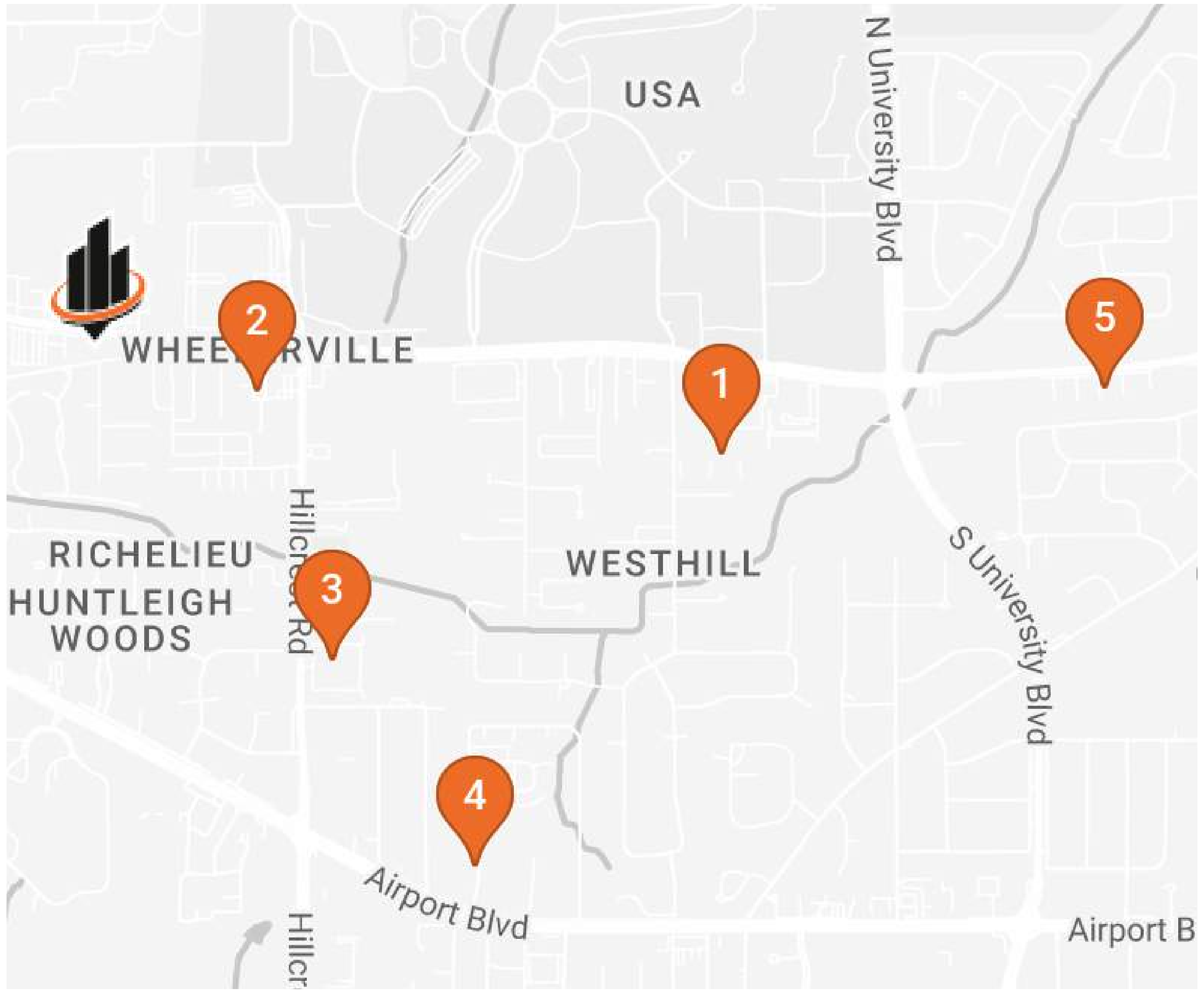


MARKET RATE RENT COMPARABLES

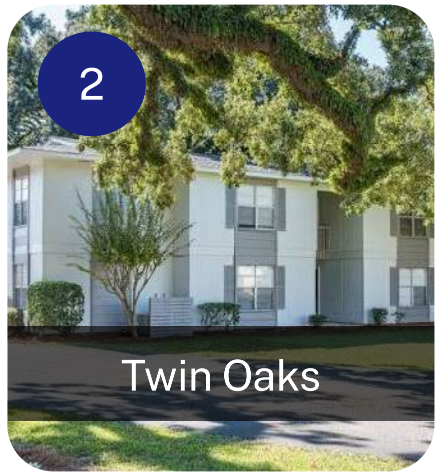
Market-rate rent comparables have been included to provide investors with context regarding Shell Pointe's position within the broader Mobile multifamily market. Comparable properties were selected based on similarities in location, vintage, unit mix, and overall asset profile. These communities provide relevant benchmarks for evaluating current rental rates, competitive positioning, and potential revenue growth opportunities available to new ownership.

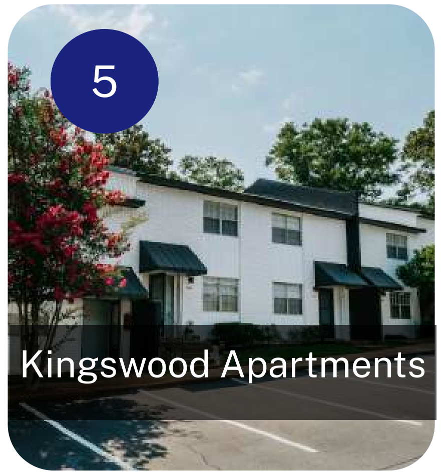
PROPERTY	YR BUILT	BUILDING SF	UNITS	AVG. UNIT SIZE	AVG. ASKING RENT	AVG. RENT/SF	AMI (2 MI.)
SHELL POINTE 6601 Old Shell Rd Mobile, AL 36608	1973	32,300	34	950	$1,100	$1.16	$50,176
FOUR SEASONS 113 East Dr Mobile, AL 36608	1978	63,504	72	882	$986	$1.12	$55,365
TWIN OAKS 6451 Old Shell Rd Mobile, AL 36608	1978	79,184	112	707	$870	$1.23	$51,390
HUNTLEIGH WOODS 375 Hillcrest Rd Mobile, AL 36608	1977	198,982	233	854	$1,064	$1.25	$51,524
GREENTREE APARTMENTS 6200 Airport Blvd Mobile, Al 36608	1974/1997	154,682	178	869	$927	$1.07	$52,703
KINGSWOOD APARTMENTS 5453 Old Shell Rd Mobile, Al 36608	1974	107,004	111	964	$1,150	$1.19	$59,858

RENT COMPARABLES | LOCATION



PROPERTY	YR BUILT	UNITS	AVG. UNIT SIZE	AVG. ASKING RENT	AVG. RENT/SF
SHELL POINTE 6601 Old Shell Rd Mobile, AL 36608	1973	34	950	$1,000	$1.16
[redacted]					
FOUR SEASONS 113 East Dr Mobile, AL 36608	1978	72	882	$986	$1.12
TWIN OAKS 6451 Old Shell Rd Mobile, AL 36608	1978	112	707	$870	$1.23
HUNTLEIGH WOODS 375 Hillcrest Rd Mobile, AL 36608	1977	233	854	$1,064	$1.25
GREENTREE APARTMENTS 6200 Airport Blvd Mobile, Al 36608	1974/1997	178	869	$927	$1.07
KINGSWOOD APARTMENTS 5453 Old Shell Rd Mobile, Al 36608	1974	111	964	$1,150	$1.19





RENT COMPARABLES | UNIT MIX COMPARISON

SHELL POINTE (SUBJECT PROPERTY)

Unit Type	# of Units	Asking Rent	Square Feet	Rent/SF
2 BD 1 BA	34	$1,100	950	$1.16

FOUR SEASONS

Unit Type	# of Units	Asking Rent	Square Feet	Rent/SF
1 BD 1 BA	16	$894	713	$1.25
2 BD 1 BA	56	$1,013	930	$1.09

TWIN OAKS

Unit Type	# of Units	Asking Rent	Square Feet	Rent/SF
Studio	16	$730	450	$1.62
1 BD 1 BA	48	$836	650	$1.29
2 BD 1 BA	48	$950	850	$1.12

HUNTLEIGH WOODS

Unit Type	# of Units	Asking Rent	Square Feet	Rent/SF
1 BD 1 BA	105	$978	709	$1.38
2 BD 1 BA	79	$1,123	945	$1.19
2 BD 1 BA	49	$1,155	1017	$1.14

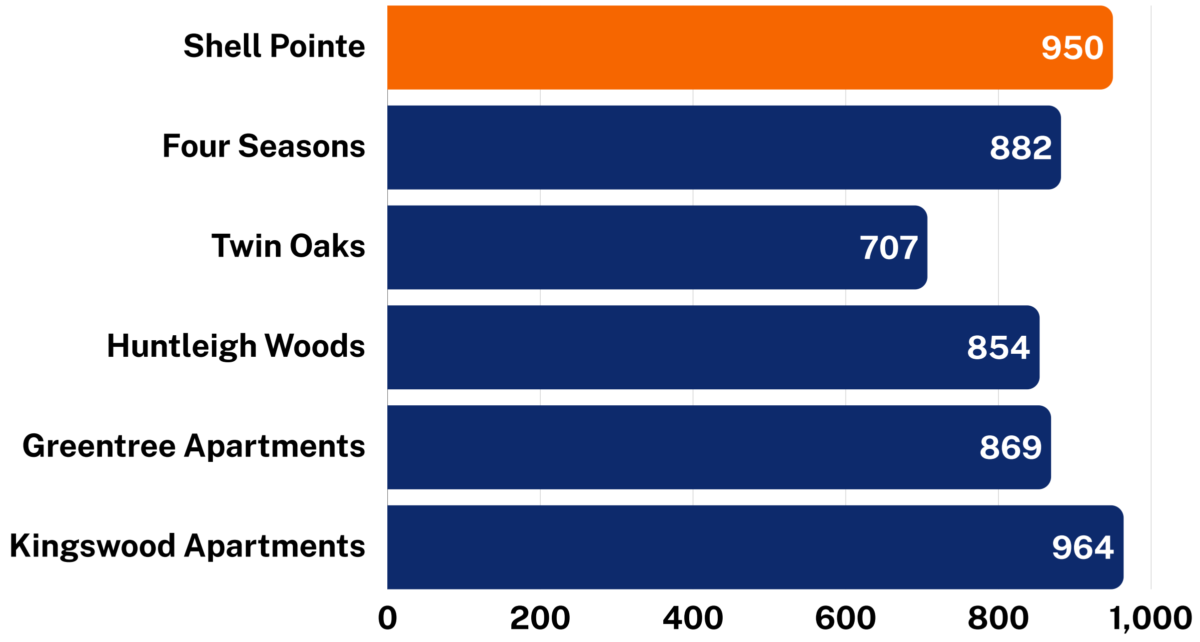
GREENTREE APARTMENTS

Unit Type	# of Units	Asking Rent	Square Feet	Rent/SF
1 BD 1 BA	78	$876	700	$1.25
2 BD 1 BA	64	$954	1000	$0.95
2 BD 2 BA	36	$992	1000	$0.99

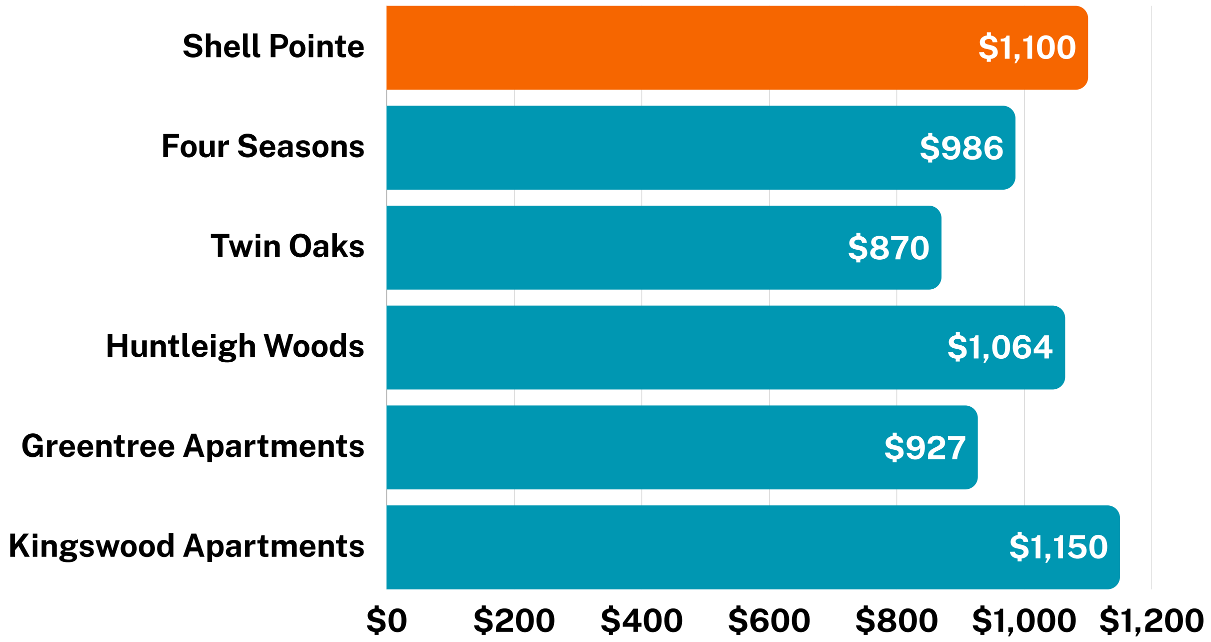
KINGSWOOD APARTMENTS

Unit Type	# of Units	Asking Rent	Square Feet	Rent/SF
1 BD 1 BA	16	$1,021	700	$1.46
2 BD 1 BA	28	$1,123	900	$1.25
2 BD 1.5 BA	31	$1,221	1200	$1.02
2 BD 2 BA	36	$1,168	928	$1.26

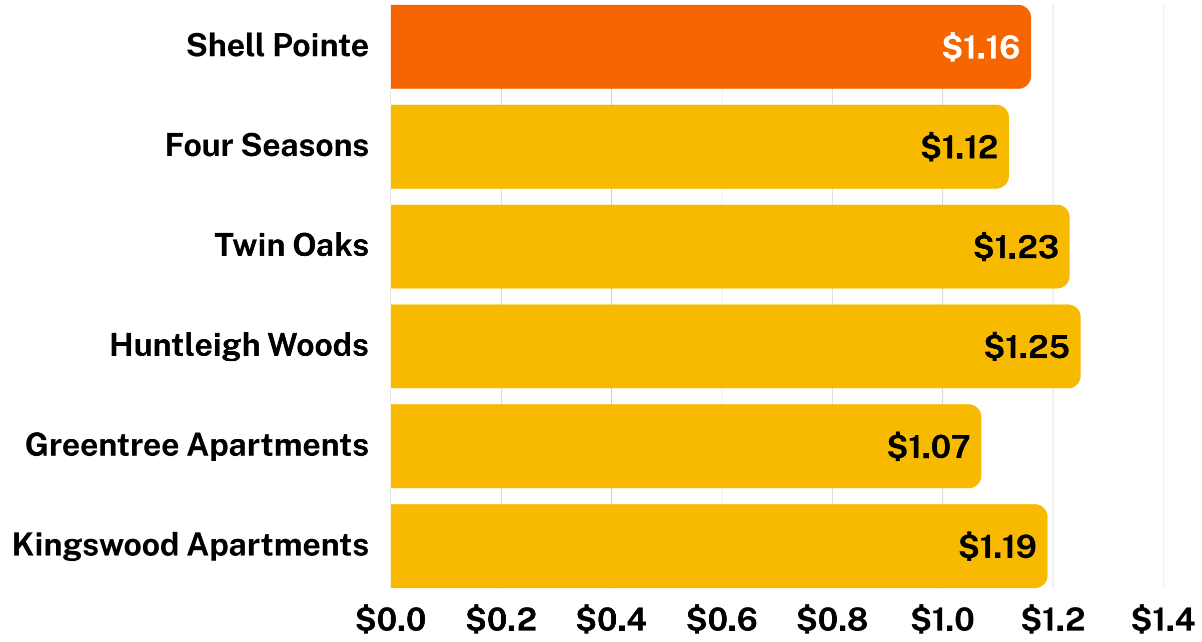
Average Unit Size



Average Rent



Avg. Rent/Sq. Ft.



CONFIDENTIALITY
AGREEMENT

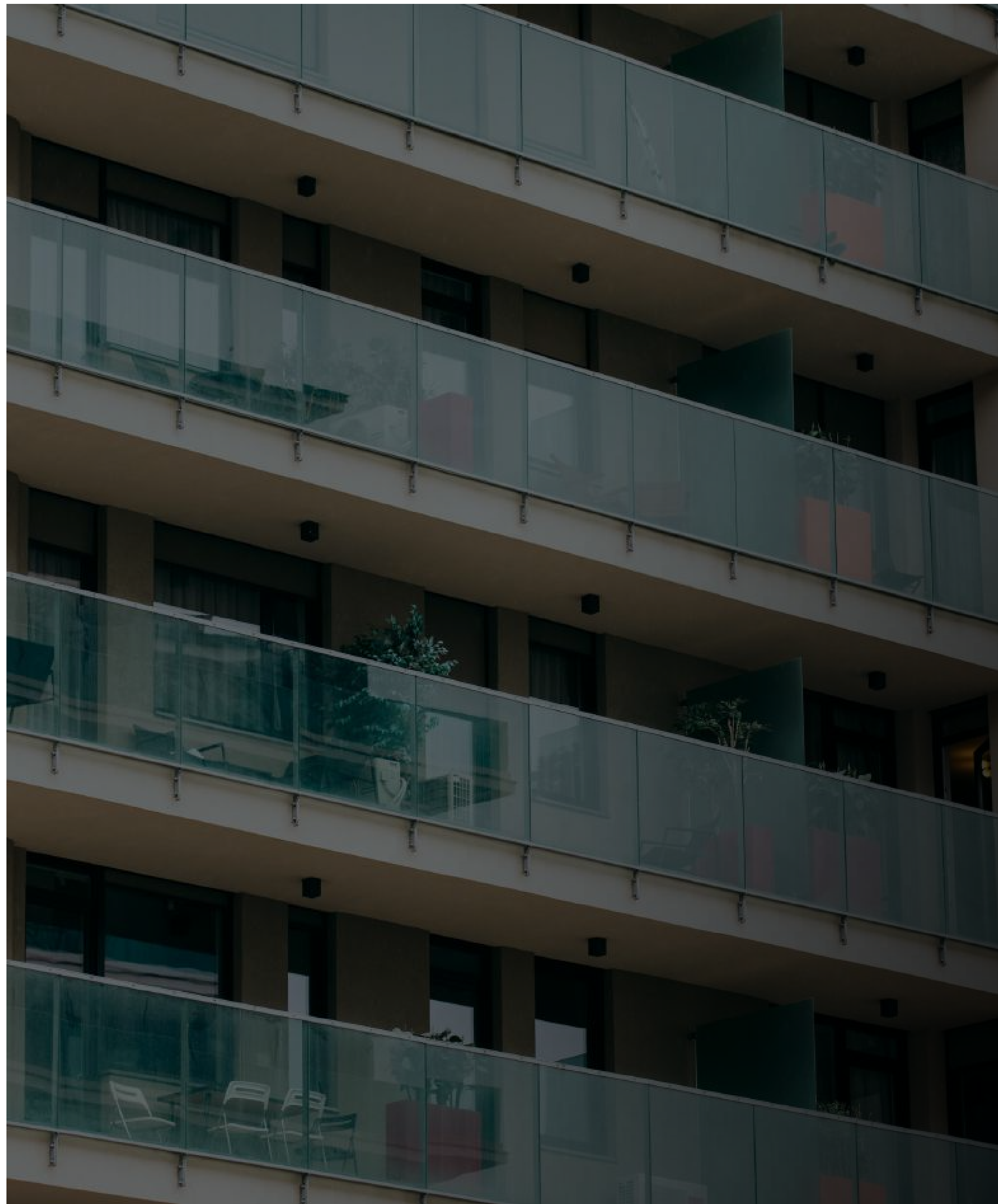
Your receipt of this Memorandum constitutes your acknowledgment that it is a confidential Memorandum solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property, you will hold it in the strictest confidence, you will not disclose it or its contents to any third party without the prior written authorization of the owner of the Property you will not use any part of this Memorandum in any manner detrimental to the Owner or SVN | AVAT. If after reviewing this Memorandum, you have no further interest in purchasing the property, kindly return any materials to SVN | AVAT.

DISCLAIMER

This memorandum contains select information pertaining to the Property and the Owner and does not purport to be all-inclusive or contain all or part of the information which prospective investors may require to evaluate a purchase of the Property. The information contained in this Memorandum has been obtained from sources believed to be reliable but has not been verified for accuracy, completeness, or fitness for any particular purpose. All information is presented "as is" without representation or warranty of any kind. Such information includes estimates based on forward-looking assumptions relating to the general economy, market conditions, competition, and other factors which are subject to uncertainty and may not represent the current or future performance of the Property. This memorandum describes certain documents, including leases and other forms, in summary, form. These summaries may not be complete or accurate descriptions of the full agreements referenced. Additional information and an opportunity to inspect the Property may be made available to qualified prospective purchasers. You are advised to independently verify the accuracy and completeness of all summaries and information contained herein, to consult with independent legal and financial advisors, and carefully investigate the economics of this transaction and the Property's suitability for your needs.

ANY RELIANCE ON THE CONTENT OF THIS MEMORANDUM IS SOLELY AT YOUR OWN RISK.

The Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or terminate discussions at any time with or without notice to you. All offers, counteroffers, and negotiations shall be non-binding and neither SVN | AVAT nor the owner shall have any legal commitment or obligation except as set forth in a fully executed, definitive purchase and sale agreement delivered by the Owner.



SVN COMMERCIAL REAL ESTATE ADVISORS

SVN® Multifamily Services

Commercial Real Estate Solutions for an Evolving Multifamily Landscape

Our Value Proposition

SVN Multifamily Advisors connect investors, owners, and developers with opportunities across apartment communities, workforce housing, and build-to-rent properties. From urban high-rise investments to suburban garden complexes, we leverage local market insight and national reach to maximize returns and occupancy.

Services Offered

Our Advisors can assist you with:

- Sales & Acquisitions
- Equity & Debt Placement
- Development Advisory
- Asset Repositioning
- Property Management

Why SVN? / Differentiators

Why partner with SVN | AVAT?

- National exposure with local market expertise
- Access to institutional, private, and 1031 buyers
- Collaborative network for maximum property exposure
- Data-driven underwriting and investor reporting
- Transparent, client-first culture

Call to Action

Whether acquiring, disposing, or developing, SVN's Multifamily platform provides the insights and relationships you need to grow your portfolio.

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SVN | AVAT

Stats/Proof Points

SVN By the Numbers:

200+
Offices Nationwide

2,000+
Advisors Actively Collaborating Coast to Coast

$15.5B
Annual Transaction Volume

3
Global Offices and Expanding

66M+
sq. ft. of Properties Managed

This data was sourced in 2024.


SHELL POINTE
APARTMENTS