

INDEPENDENCE MEADOWS APARTMENTS

1002 SE Martin Luther King Blvd Rd

Smithville, Texas 78957



ON MARKET:

INDEPENDENCE MEADOWS APARTMENTS IN SMITHVILLE, TEXAS



ACTUAL PROPERTY

SAB Capital presents Independence Meadows Apartments, a family-designated multifamily community located approximately 45 miles southeast of Austin, Texas.

The 42-unit property is supported by a Project-Based Section 8 HAP contract, renewed under Option 3b in 2018 for a 20-year term.

Originally constructed in 1980, the property underwent substantial renovations in 2019 through the Mark-to-Market Green Initiative program. Improvements included energy and water efficiency upgrades. The property spans 7.15 acres and consists of 22 buildings. The unit mix includes 16 one-bedroom, 16 two-bedroom, and 10 three-bedroom units.

The property includes a leasing office and playground. The buildings feature masonry construction and pitched asphalt shingle roofs.

INVESTMENT HIGHLIGHTS

- ▶ **Independence Meadows Apartments in Smithville, TX**
45 MILES SOUTHEAST OF AUSTIN | 4TH LARGEST CITY IN TEXAS
- ▶ **100% Project Based Section 8 Subsidy Contract**
RENEWED UNDER OPTION 3B IN 2018 FOR 20 YEARS
- ▶ **Underwent Full Mark-to-Market Restructuring in 2018**
GREEN INITIATIVE | USE AGREEMENT IN PLACE THROUGH 2048
- ▶ **Oversized 7.15 Acre Parcel**
FAVORABLE UNIT MIX 62% OF UNITS ARE 2 & 3 BEDROOMS
- ▶ **Located 22 Miles Southeast of Bastrop SpaceX Facility**
EXPECTED TO INCREASE BY 1M SQUARE FEET | \$280M IN CAPITAL INVESTMENT

FINANCIAL OVERVIEW

PRICING

PRICE	UNPRICED
-------	----------

BUILDING SUMMARY

GROSS LEASEABLE AREA		36,328 SF
UNITS		42
YEAR BUILT (RENOVATED)		1980 2019
ACREAGE		7.15 Acres
CONSTRUCTION		Masonry
ROOF TYPE		Pitched Asphalt Shingles
NO. OF BUILDINGS		22
STORIES		1
UTILITIES	LL-PAID	Water, Sewer, Trash
	TENANT-PAID	Electric, Gas

UNIT MIX

Unit Type	# Units	Current HAP Rents	Pro Forma	Utility Allowance	Gross Rents
HUD UNITS (SECTION 8)		Current HAP Rents (8/1/2024)	2025 OCAF (+5.9%)		
1 Bedroom	12	1,250	1,324	152	1,476
1 Bedroom	4	1,250	1,324	152	1,476
2 Bedroom	16	1,364	1,444	159	1,603
3 Bedroom	10	1,675	1,774	251	2,025
Total HUD/SECTION 8 Units	42	702,888	744,358		

1002 SE MARTIN LUTHER KING BLVD RD
SMITHVILLE, TEXAS 78957

OFFERING SUMMARY

CONTRACT NUMBER	TX590022009
CURRENT RENEWAL OPTION	3b
TERM	20 Years
TENANCY	Family
HAP COVERAGE	100%
LIMITED DIVIDEND	Profit Motivated
EFFECTIVE DATE	8/1/2018
EXPIRATION DATE	7/31/2038

FINANCIAL OVERVIEW

	2024 AUDITED FINANCIALS	PER UNIT	T-12 FINANCIALS	PER UNIT	PRO FORMA	PER UNIT
Gross Annual Rent Potential	\$688,160	\$16,385	\$701,620	\$16,705	\$744,358	\$17,723
Vacancy & Concessions	\$26,459	4%	\$27,491	4%	\$37,218	5.00%
Laundry & Vending	\$7,688	\$183	\$1,584	\$38	\$5,000	\$119
Other Revenue	\$56	\$1	\$11	\$0	\$1,000	\$24
Effective Gross Income	\$669,445	\$15,939	\$675,724	\$16,089	\$713,140	\$16,980
Real Estate Taxes ⁽¹⁾	\$38,657	\$920	\$44,432	\$1,058	\$45,000	\$1,071
Insurance	\$63,065	\$1,502	\$67,979	\$1,619	\$69,000	\$1,643
Electric	\$15,892	\$378	\$15,982	\$381	\$16,461	\$392
Gas	\$1,478	\$35	\$1,479	\$35	\$1,523	\$36
Water/Sewer	\$27,047	\$644	\$27,011	\$643	\$27,822	\$662
Management Fee ⁽²⁾	\$0	\$0	\$0	\$0	\$35,432	\$844
Payroll	\$62,536	\$1,489	\$69,665	\$1,659	\$69,666	\$1,659
Employee Rent Free Unit	\$19,253	\$458	\$18,648	\$444	\$0	\$0
Benefits/Misc Taxes	\$10,379	\$247	\$10,443	\$249	\$10,382	\$247
Maintenance/Repairs	\$24,345	\$580	\$32,587	\$776	\$26,733	\$637
Repairs/Maint. Contract	\$39,188	\$933	\$21,255	\$506	\$21,000	\$500
Administrative	\$40,806	\$972	\$37,839	\$901	\$31,550	\$751
Security/Snow/Appliances	\$0	\$0	\$4,711	\$112	\$4,700	\$112
Garbage & Trash Removal	\$17,800	\$424	\$17,638	\$420	\$18,000	\$429
Total Operating Expenses	\$360,446	\$8,582	\$369,670	\$8,802	\$377,269	\$8,983
Opex Ratio	54%		55%		53%	
Replacement Reserves					\$12,600	\$126
Net Operating Income	\$308,999	\$7,357	\$306,054	\$7,287	\$323,272	\$3,233

⁽¹⁾ Property taxes are only estimates and shall not be relied upon under any circumstances. Broker is not liable for damages from use of information.

⁽²⁾ Proforma Management Fee equal to 3% of EGI

PROPERTY PHOTOS



ABOUT SMITHVILLE - THE TEXAS TRIANGLE

Smithville, Texas, located centrally between Houston, Austin, and San Antonio, holds a strategic position within the prominent Texas Triangle. This city, known for its historic charm, small-town appeal, and growing cultural scene, benefits significantly from its proximity to major economic hubs and key transportation arteries. Its advantageous location offers opportunities for increased connectivity, commerce, tourism, and residential growth, positioning Smithville as an attractive option for residents and businesses seeking proximity to urban amenities without sacrificing community character and quality of life.

The Texas Triangle is a geographically significant and economically powerful region defined by the metropolitan areas of Houston, Dallas-Fort Worth, San Antonio, and Austin. Spanning over 60,000 square miles, it houses approximately 75% of Texas's population and is one of America's fastest-growing economic corridors. The Triangle's robust infrastructure, including extensive highway networks, rail lines, airports, and advanced logistics facilities, plays a critical role in trade, technology, energy, education, and healthcare sectors.

Economically, the Texas Triangle contributes substantially to the state and national economy, driven by diverse industries ranging from oil and gas to technology and innovation. Cities within the Triangle are interconnected through commerce, culture, and transportation, collectively supporting a dynamic economy that attracts investment, talent, and business expansions. Communities like Smithville, situated within this vibrant economic landscape, experience the positive ripple effects of regional growth, including increased investment, employment opportunities, and sustainable development.



ACTUAL PROPERTY

SpaceX Spending \$280M on Bastrop Facility (connectcre - March 13, 2025)

SpaceX is investing \$280 million in a Bastrop factory, and the State of Texas is granting the company \$17.3 million in return. This expansion is expected to create more than 400 jobs.

Texas Governor Greg Abbott added, "I congratulate SpaceX on their more than \$280 million investment in this Texas-sized expansion of their semiconductor R&D and advanced packaging facility in Bastrop, which will be the largest of its kind in North America."

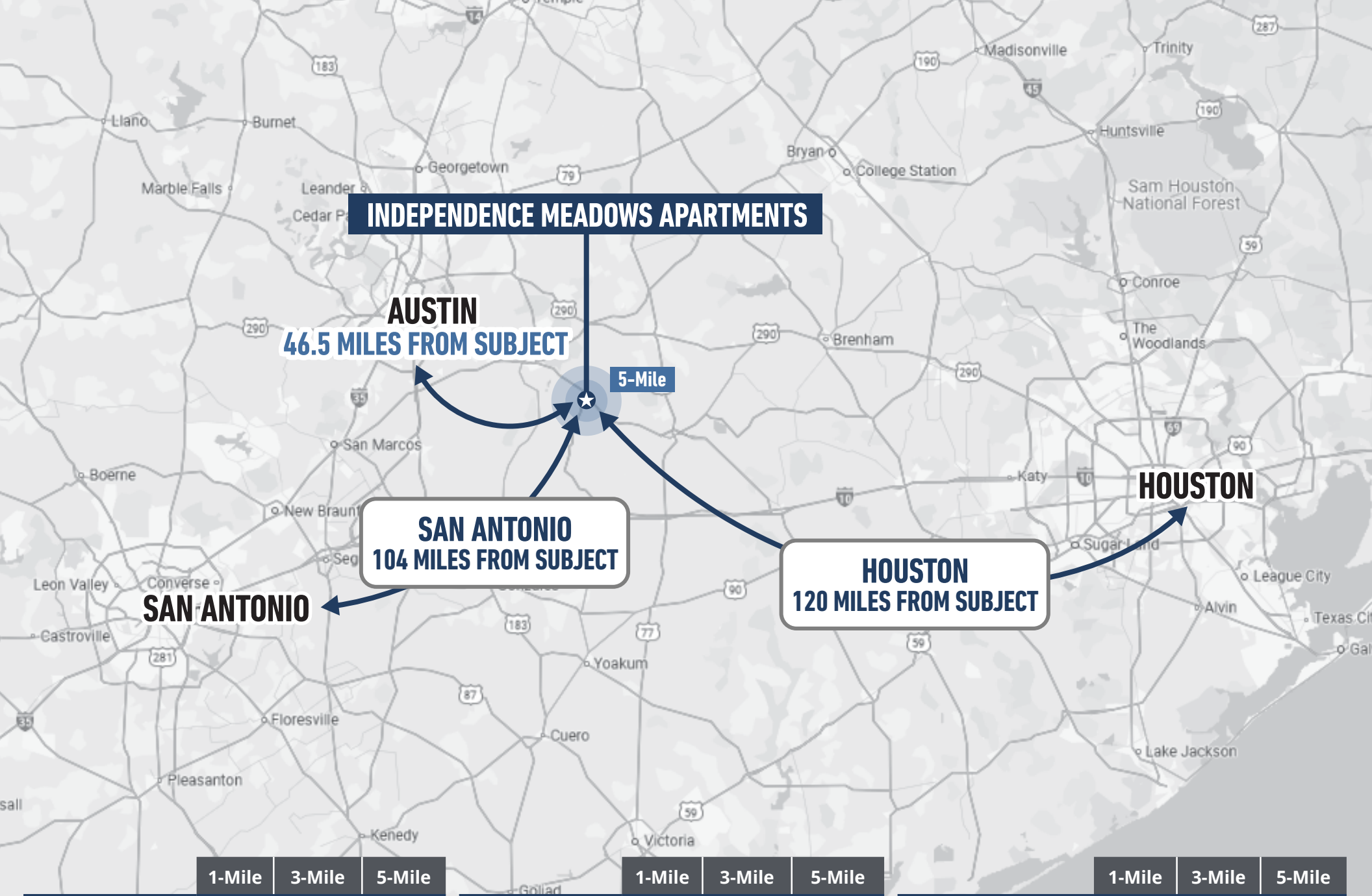
Over the next three years, SpaceX's Bastrop facility will expand by one million square feet to produce Starlink kits and their component parts, including advanced packaged silicon products. Starlink satellites provide high-speed, low-latency broadband internet to more than five million people and businesses in over 120 countries and territories. The proposed project includes printed circuit boards (PCBs), a semiconductor failure analysis lab, and advanced packaging for panel level packaging (PLP). Once complete, the Bastrop facility will be the largest PCB and PLP facility in North America.



ACTUAL PROPERTY

INDEPENDENCE MEADOWS APARTMENTS - *Smithville, Texas*





	1-Mile	3-Mile	5-Mile
2020 Population	3,476	5,022	6,919
2024 Population	4,304	6,035	8,112
2029 Population	5,373	7,509	10,045

	1-Mile	3-Mile	5-Mile
2020 Households	1,419	2,022	2,765
2024 Households	1,770	2,455	3,274
2029 Households	5,750	7,511	9,911

	1-Mile	3-Mile	5-Mile
2024 Average HH Income	\$86,562	\$85,887	\$82,898
2024 Median HH Income	\$60,052	\$62,940	\$64,088
2024 Per Capita Income	\$35,598	\$34,938	\$33,458

BROKER HEREBY ADVISES ALL PROSPECTIVE PURCHASERS OF PROPERTY AS FOLLOWS:

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Broker and should not be made available to any other person or entity without the written consent of Broker.

This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Broker has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Broker has not verified, and will not verify, any of the information contained herein, nor has Broker conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

NON-ENDORSEMENT NOTICE

Broker is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation or Broker, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of Broker, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONSULT YOUR BROKER AGENT FOR MORE DETAILS.

CONTACT US:

JOHN SNEE

LICENSED REAL ESTATE SALESPERSON

jsnee@sabcap.com

t. 646.440.4267

LICENSE #: 10401330255 (NY)

MATTHEW COYLE

LICENSED REAL ESTATE SALESPERSON

mcoyle@sabcap.com

t. 646.809.8856

LICENSE #: 10401387739 (NY)

LUCAS LATRENTA

LICENSED REAL ESTATE SALESPERSON

llatrenta@sabcap.com

t. 929.207.3641

LICENSE #: 10401382019 (NY)

BETHANY BABCOCK

LICENSED REAL ESTATE SALESPERSON

bbabcock@foresitecre.com

t. 210.816.2734

LICENSE #: 9003568 (TX)

FOR DEBT GUIDANCE, CONTACT:

WILL MCKENNA

Senior Capital Markets Associate

wmckenna@sabcap.com

t. 646.224.7452



ACTUAL PROPERTY