



15 Woodstock, Rutland VT 05701
6 Unit Turnkey High Cash Flow Opportunity

15 Woodstock - Opportunity

Opportunity to purchase a high cash flow 6 unit turnkey building in the heart of Rutland at an impressive 11% cap (13% cap at proforma market rents). The building has been professionally managed, fully renovated, and a new owner can step into to this turnkey investment, projected to yield over a 20% cash on cash return during the hold period based on current numbers, with significant upside at sale.

With a gross potential income upwards of \$80K, this fully occupied property has a diverse unit mix of studios, 1br and 2br apartments - allowing it to appeal to a broad range of residents. Situated on a street with ample parking and outdoor space for residents to enjoy, the property rents quick when there is a rare vacancy. The building has undergone weatherization and energy efficiency work resulting in lower heating season bills than your average multifamily.

In addition to enjoying the tremendous cash flow, there is also significant upside to acquire real estate ahead of the historic multibillion dollar development occurring nearby at Killington, which is already resulting in organic property appreciation and increased interest in the area from investors.

The property is available as a package with other buildings across VT for a buyer looking for a larger high cash flow turnkey multifamily portfolio.



15 Woodstock - Financials and Rent Roll

Annual Income	
Average Monthly Rent	\$1,068
Gross Potential Rent	\$76,920
- Vacancy	(\$2,692)
- Concessions, Loss to Lease, Bad Debt	\$0
Gross Potential Income	\$74,228
Other Income	\$300
Effective Gross Income	\$74,528
Annual Expenses	
Plowing/Landscaping	\$930
Fuel & Electric	\$7,229
Insurance	\$3,623
Real Estate Taxes	\$7,214
Trash Removal	\$1,394
Repairs and Maintenance	\$1,500
Water and Sewer	\$3,145
Total Expenses (Added)	\$25,035
Total Expenses	\$25,035
Net Operating Income (NOI)	\$49,493



Unit	BD/BA	Status	Sqft	Market Rent	Rent
15 Woodstock - 15 Woodstock Avenue Rutland, VT 05701					
1	2/1.00	Current		700	1,400.00
2	0/1.00	Current		400	1,000.00
3	2/1.00	Current		800	1,400.00
4	1/1.00	Current		750	1,200.00
5	1/1.00	Current		750	1,200.00
6	1/1.00	Current		400	1,200.00
6 Units		100.0% Occupied		3,800	7,400.00
					1,375.00
					975.00
					835.00
					1,025.00
					1,100.00
					1,100.00

15 Woodstock - Acquisition Proforma and Returns

Acquisition	
Price	\$460,000
Purchase	\$460,000
# Units	6
Price Per Unit	\$76,667
Down payment %	25%
Down payment \$	\$115,000
Loan Balance	\$345,000
Repairs	\$0
Operating Reserves	\$10,000
Estimated closing costs	\$11,817
Total Acquisition Cost	\$471,817

Summary	
Debt Service	\$28,604
Interest Rate	6.75%
Amortization (Years)	25
Cash flow after debt service	\$20,889
Cap Rate (NOI/Sales Price)	10.76%
Debt Coverage Ratio	1.73

Projected Cash Flows and Returns	1	2	3	4	5	Return \$	Return %
Invested	\$136,817	\$136,817	\$136,817	\$136,817	\$136,817		
Cashflow	\$20,889	\$31,836	\$33,044	\$34,277	\$564,038	\$684,085	
Cash on Cash Return	15.27%	23.27%	24.15%	25.05%	412.26%		
Average Cash on Cash Return to Date	15.27%	19.27%	20.90%	21.94%	100.00%		
Net Proceeds/Profits from Refinance or Sale					\$141,108	\$141,108	
Average Annual Return to Date	15.27%	19.27%	20.90%	21.94%	120.63%		
Proceeds At Sale					\$136,817		
Total Return on Investment	\$20,889	\$31,836	\$33,044	\$34,277	\$705,146	\$825,193	603.14%
Average Annual Return							120.63%
IRR							34.33%
Average Cash on Cash Return							22.74%

- Proforma exit price is 10.5% cap vs 10% typical appraisal (lower exit price assumed)
- Proforma assumes increasing rents to market (based on existing achievable market rents) year 2, as well as income and expense growth of 2% per year thereafter.

15 Woodstock - Proforma

Income Year	1		2		3		4		5	
Average Monthly Rent	\$1,068		\$1,233		\$1,258		\$1,283		\$1,308	
Gross Potential Rent	\$76,920		\$88,776		\$90,552		\$92,363		\$94,210	
- Vacancy	(\$2,692)	3.50%	(\$3,107)	3.50%	(\$3,169)	3.50%	(\$3,233)	3.50%	(\$3,297)	
- Concessions, Loss to Lease, Bad Debt	\$0		\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	
Gross Potential Income	\$74,228		\$85,669		\$87,382		\$89,130		\$90,912	
Other Income	\$300		\$306		\$312		\$318		\$325	
Effective Gross Income	\$74,528		\$85,975		\$87,694		\$89,448		\$91,237	
EXPENSES										
Plowing/Landscaping	\$930	1.25%	\$949	1.10%	\$968	1.10%	\$987	1.10%	\$1,007	
Fuel & Electric	\$7,229	9.70%	\$7,374	8.58%	\$7,521	8.58%	\$7,671	8.58%	\$7,825	
Insurance	\$3,623	4.86%	\$3,695	4.30%	\$3,769	4.30%	\$3,845	4.30%	\$3,922	
Real Estate Taxes	\$7,214	9.68%	\$7,358	8.56%	\$7,505	8.56%	\$7,655	8.56%	\$7,808	
Trash Removal	\$1,394	1.87%	\$1,422	1.65%	\$1,450	1.65%	\$1,479	1.65%	\$1,509	
Repairs and Maintenance	\$1,500	2.01%	\$1,530	1.78%	\$1,561	1.78%	\$1,592	1.78%	\$1,624	
Water and Sewer	\$3,145	4.22%	\$3,208	3.73%	\$3,272	3.73%	\$3,337	3.73%	\$3,404	
Total Expenses	\$25,035	33.59%	\$25,535	29.70%	\$26,046	29.70%	\$26,567	29.70%	\$27,098	
Net Operating Income (NOI)	\$49,493		\$60,439		\$61,648		\$62,881		\$64,139	
Debt Service										
Principal	\$5,484		\$5,866		\$6,274		\$6,711		\$7,178	
Interest	\$23,120		\$22,738		\$22,330		\$21,893		\$21,426	
Total Debt Service	\$28,604		\$28,604		\$28,604		\$28,604		\$28,604	
Cash Flow	\$20,889		\$31,836		\$33,044		\$34,277		\$35,535	



Pictures

15 Woodstock Avenue Rutland, VT - Exterior



15 Woodstock Avenue Rutland, VT - Interior Example Unit



15 Woodstock Avenue Rutland, VT - Interior Example Unit



15 Woodstock Avenue Rutland, VT - Interior Example Unit



15 Woodstock Avenue Rutland, VT - Interior Example Floor Plan

Virtual walk through:

[15 Woodstock: Unit 6](#)



A dark, atmospheric photograph of a town, likely in the American West, featuring a prominent church with a tall, white steeple and a red brick building with a clock tower. The town is set against a backdrop of dark mountains under a twilight sky. The word "Market" is overlaid in a bold, yellow font in the center of the image.

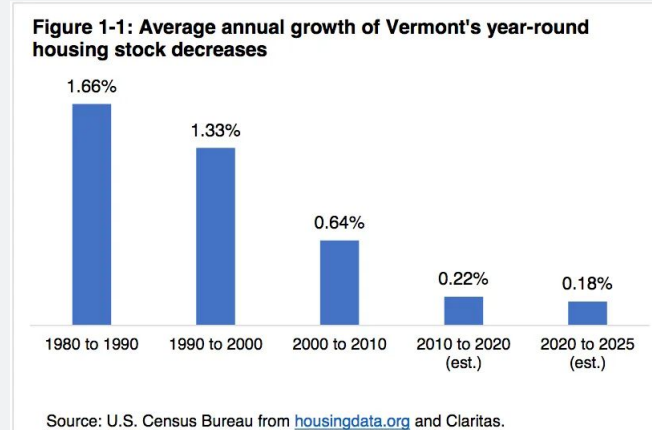
Market

Market - Historical Supply/Demand Imbalance

Unique historical factors and legislation have created the largest housing supply/demand imbalance in the nation

The state constitution, established 1791 guaranteed each town, no matter how small or large, one representative in the lower chamber of the Vermont legislature. Since the towns have all the power and were more concerned on local impact, changes that will have relatively larger benefits for the wider geographic community became difficult to execute.

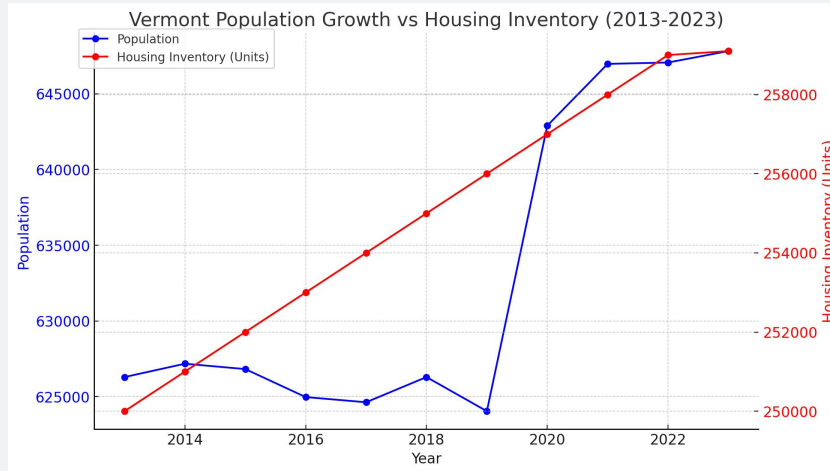
In 1970 Vermont enacted Act 250 to maintain the pastoral beauty of Vermont's landscape and which made it extraordinarily difficult to develop anything at scale. This process involves extensive reviews, public hearings, and compliance with ten specific criteria, ranging from water and air pollution to impacts on local schools and services.. Even regular regular way citizens can torpedo the development, for virtually any reason including for subjective aesthetic reasons. The legislation was highly successful in halting development, including regular way housing for the states residents. And the shortage has been made more acute by an increase historical net migration over the last 5 years



Market - Housing Shortage

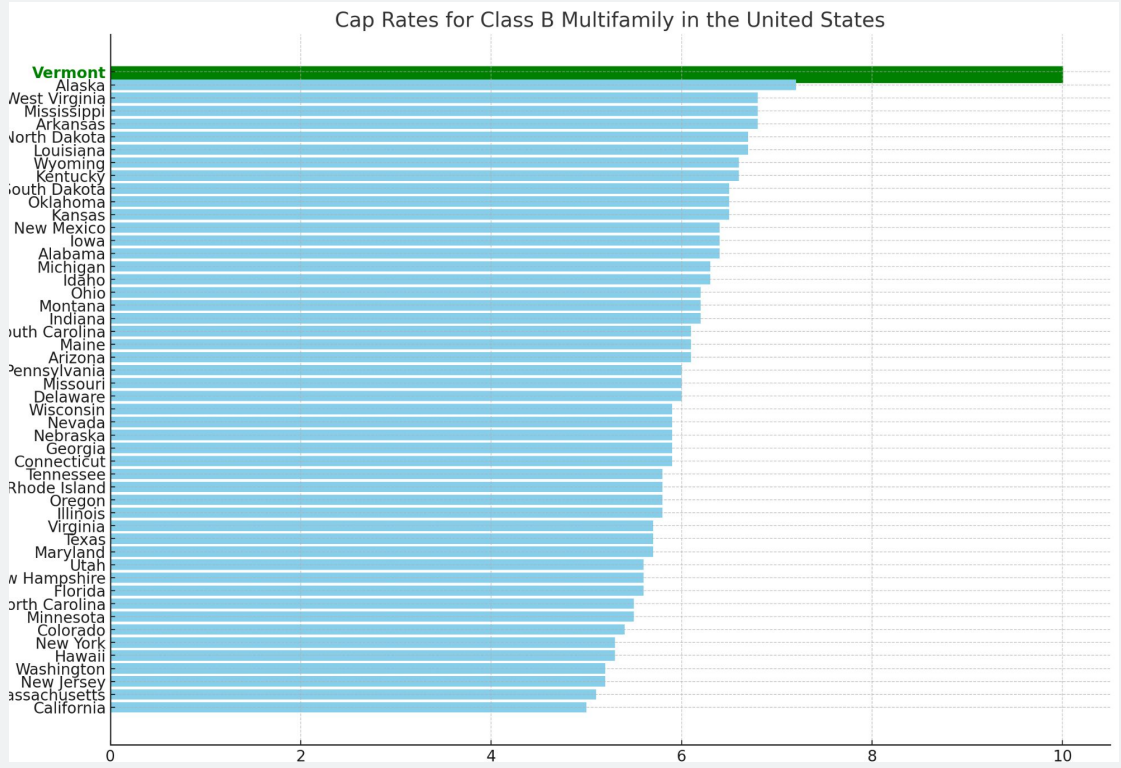
According to the Vermont Housing Finance Agency, Vermont has an estimated shortfall of over 10,000 housing units. This shortage is driven by a combination of factors including slow population growth, aging housing stock, and stringent zoning regulations that limit new construction. Furthermore, 60% of the state's housing stock was built before 1980, and the market has a shortage of developers renovating existing inventory leading to increased demand for the few properties that there are.

New housing permits have remained low, with only about 1,500 new units permitted annually over the past decade, far below the demand. This lack of new supply, coupled with growing demand, ensures high occupancy rates and the potential for rent growth in existing properties. The chart below illustrates the exacerbation of the problem amidst increased migration driven by quality of life considerations.



Market - Deep Value

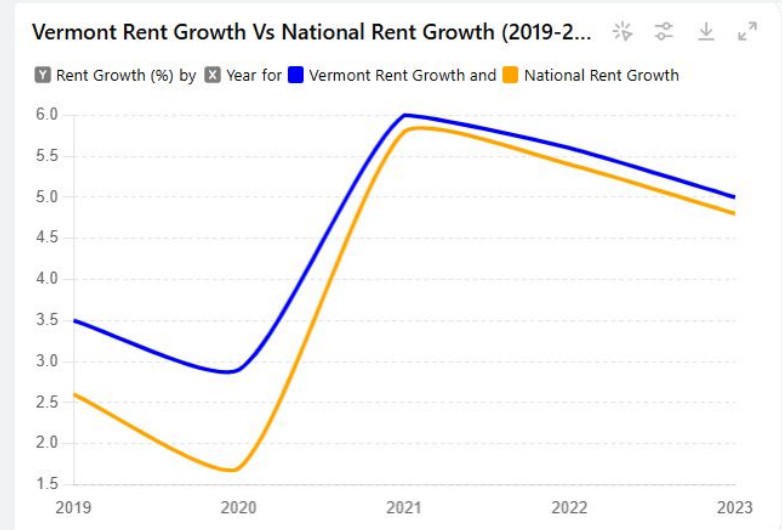
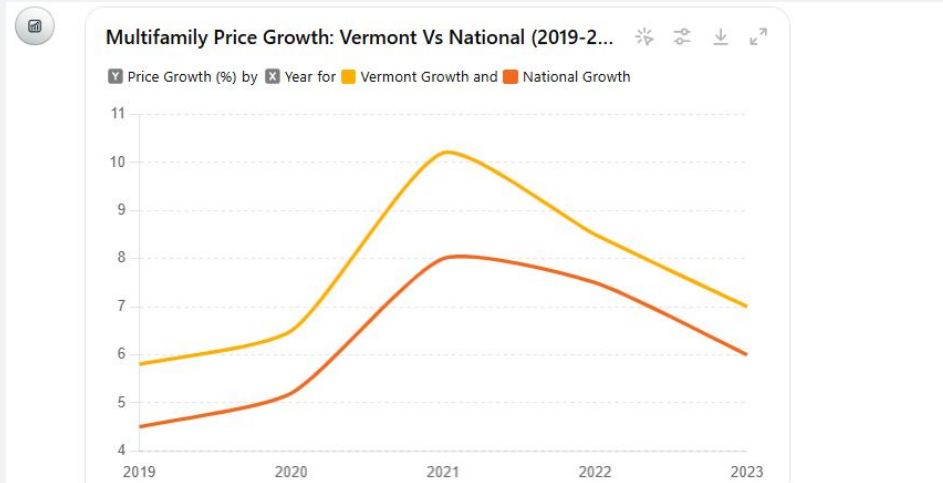
Vermont is not popular with investors due to low population size and rural environment without housing density. The lack of professional investors has created what we believe to be one of the greatest multifamily values in the nation. The cost to construct housing vs current market price valuations renders it unviable even if the legislative hurdles were overcome:



Sources:
Cap Rate Index
Yield PRO
Newmark Q1 2024 Multifamily Market Report
Local Vermont appraiser data for that state

Market - Rent, Population and Price Growth

Vermont has outperformed the rest of the nation in multifamily price and rent growth. The charts below illustrates the spread.

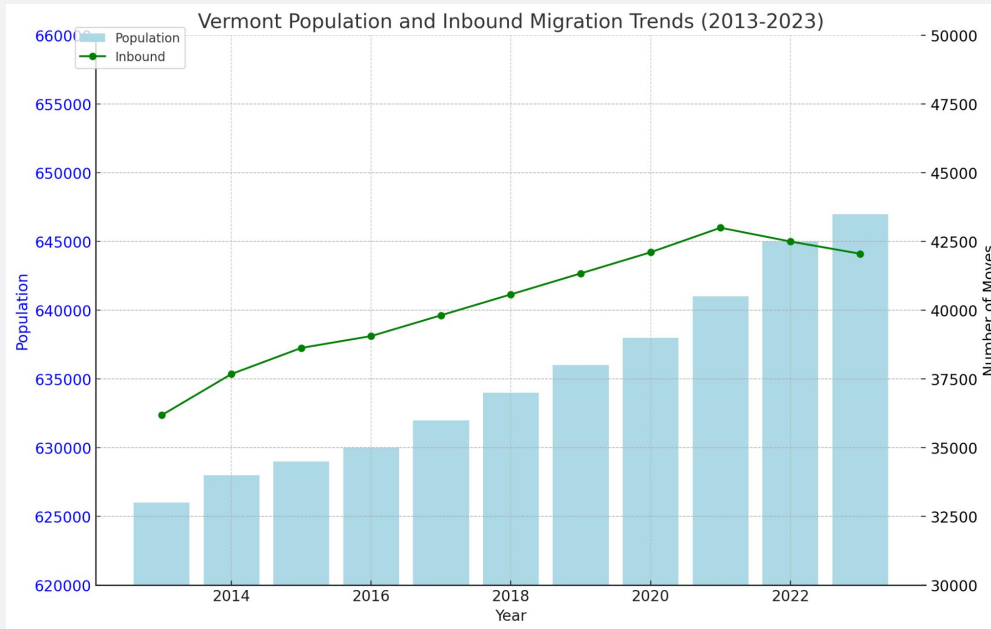


Multi-Housing News: [2023 Rent Growth](#)
Yardi Matrix: [Yardi Matrix Report](#)
Fannie Mae Multifamily: [2023 Mid-Year Multifamily Market Outlook](#)
Matthews: [End of Year Multifamily Market Report](#)

Market- Net Migration and Climate Change Resiliency

Vermont has seen a historic influx of netbound migration since Covid. In fact, some studies show Vermont as having the highest percent of net inbound movers in the nation (see e.g. 2023 [United Van Lines Survey](#))

The EPA has ranked Vermont [fourth](#) in a nationwide assessment of resilience to extreme weather events brought on by climate change. And authors of the [2014 state climate assessment](#) wrote that Vermont might be a “receiving state” for residents of cities up and down the Eastern seaboard dealing with sea level rise.



Market - Strength and Stability

The state has a diversified economy with key sectors such as healthcare, education, manufacturing, and tourism cFrom 2019 to 2023, Vermont's Gross Domestic Product (GDP) grew at an average annual rate of 1.8%, according to the U.S. Bureau of Economic Analysis.

Vermont's labor market has been a key driver of the state's economic stability. From 2019 to 2023, Vermont experienced steady employment growth, with an average annual job growth rate of 1.2%, according to the U.S. Bureau of Labor Statistics. The state's unemployment rate is consistently among the lowest in the nation at 2.4% in 2023, Additionally, Vermont's emphasis on high-quality education and workforce development has resulted in a well-educated labor force, with nearly 40% of adults holding a bachelor's degree or higher.

Vermont ranks highly in education, with a high school graduation rate of 88.6% and a college attainment rate of 38.2%, providing a well-educated workforce. The state's median household income is approximately \$63,000, which is close to the national average The state's commitment to sustainable development and green energy initiatives is evident in its goal to source 90% of its energy from renewable sources by 2050, positioning Vermont for long-term growth and attractiveness to environmentally conscious investors.





ABOUT 3GEN REAL ESTATE

CONTACT INFO AND ABOUT 3GEN REAL ESTATE



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3GEN Real Estate Inc is a real estate construction , property management and brokerage firm. Our specialty is renovating properties to a consistent quality and standard. Our mission is to help alleviate the home affordability crisis in America by providing quality affordable renovated properties to an undersupplied market.

One of the keys to our success is handling construction in-house. This allows us to deliver a consistent product at cost effective prices.

Capabilities at a glance:

- 12 Full Time Employees
- Over 50 Contractors covering:
 - Full Home Remodel including Gut Renovations
 - Full Suite of Property Maintenance
 - Demolition.
 - Electrical,
Plumbing, Heating/Cooling, Painting, Landscaping, Snow Plowing,
Flooring, Carpeting, Windows and more

