

OFFERING MEMORANDUM

THE QUARTERS  
APARTMENTS

GULFPORT, MISSISSIPPI



OFFERING MEMORANDUM  
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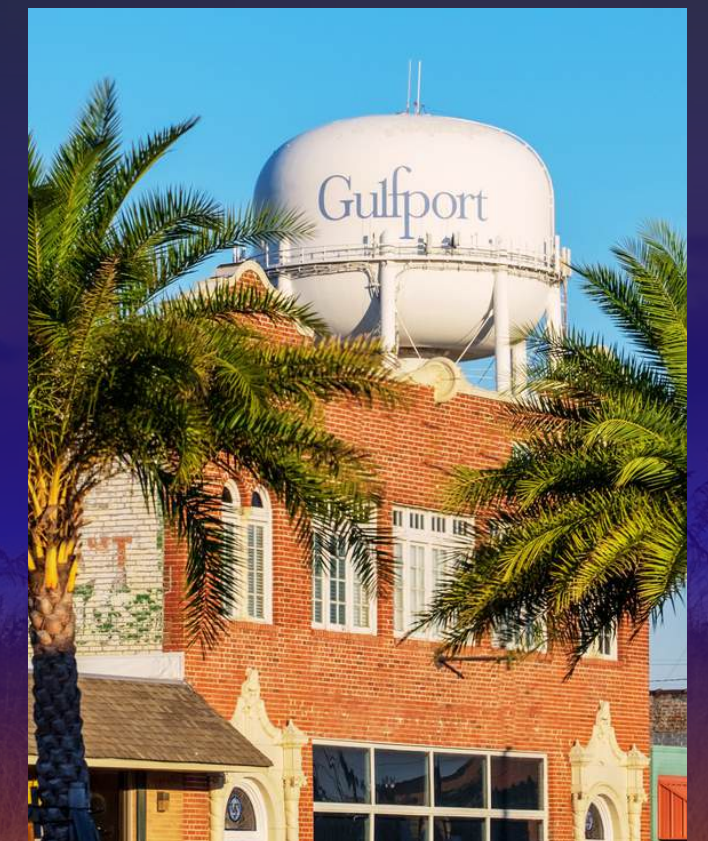
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THE QUARTERS  
APARTMENTS

EXECUTIVE OVERVIEW

*The Quarters is a 36 Unit Apartment Community located in a popular and developed area of Gulfport, Mississippi.*

*In addition to an overview of the property and location, you will find investment highlights and analysis in this section.*



# EXECUTIVE SUMMARY

*The Quarters is a 36 unit, never before traded, multifamily asset located on the Mississippi Gulf Coast in the city of Gulfport. This property is an excellent opportunity for investors to acquire a cash flowing asset, with plenty of growth potential.*

## PROPERTY OVERVIEW

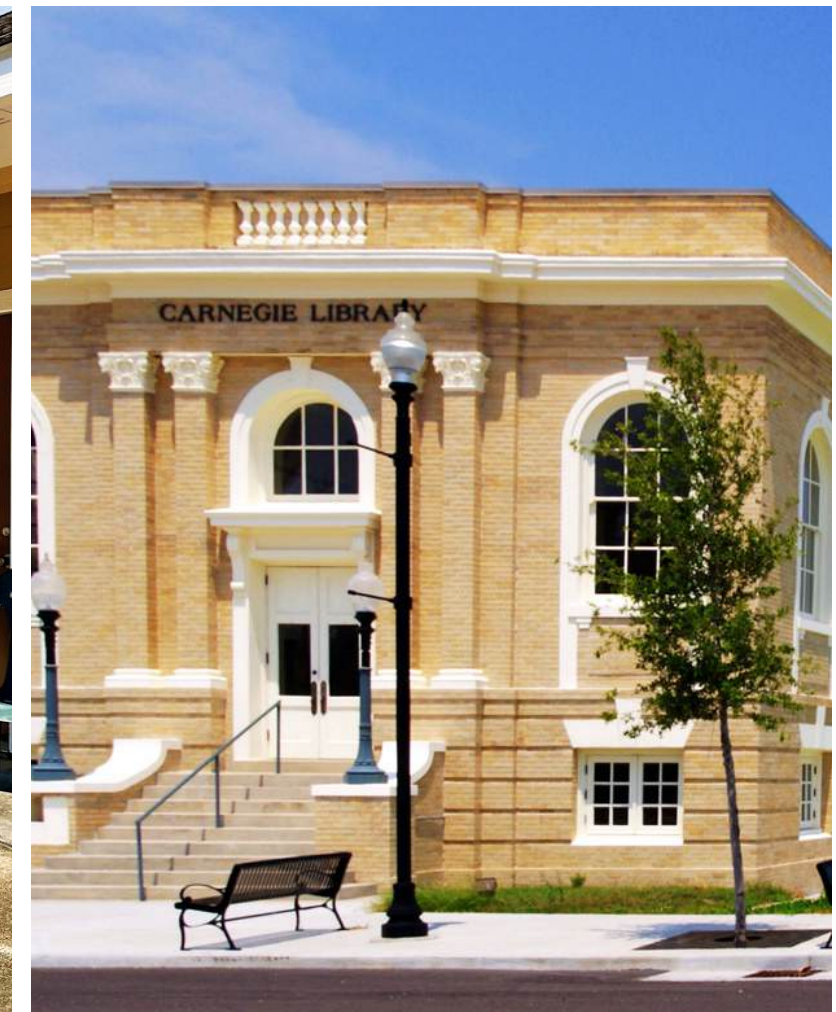
Discover an exceptional opportunity for multifamily investor interested in the growing Gulfport community! This impressive property was built in 2010 and features 6 single-story walk up building, 33,600 ft<sup>2</sup> of rental space on 2.87 Acres. Situated in the impressive Orange Grove area, the property boasts a remarkable 96% occupancy rate, reflecting strong tenant demand and stability. With its desirable location, 2 and 3 Bed unit mix, and unique features, this investment presents an ideal choice for investors in this area.

PRICE	\$3,200,000
PROPERTY NAME	The Quarters
ADDRESS	11350 New Orleans Ave, Gulfport, MS 39503
MARKET   SUBMARKET	Gulfport-Biloxi-Pascagoula   Gulfport
YEAR BUILT	2010
NUMBER OF UNITS	36
OCCUPANCY	96%
RENTABLE FT <sup>2</sup>	33,600
LAND AREA	2.87 Acres
RENT TYPE	Market

## LOCATION OVERVIEW

Gulfport-Biloxi-Pascagoula (GBP) is the second largest metro in Mississippi behind Jackson with more room to grow. The Quarter's location makes this property perfectly positioned for growth. As the Mississippi coast continues to grow and investments stream in, this property is located within close proximity to the largest generators of revenue in the state of Mississippi - the ports, casinos, and oil refineries- which translates to an excellent and reliable tenant base.

This property is located in the sought after Orange Grove neighborhood in Gulfport. This area is known for its quiet peaceful atmosphere along with its proximity to major retailers. The area has a higher than average rental price for the area and is the highest concentration of people employed in the thriving manufacturing industry - providing stable, well-paid employment typically seen in an excellent tenant base for this area.



# EXECUTIVE SUMMARY

## INVESTMENT THESIS

This is a unique opportunity to acquire this turnkey property on the Mississippi coast at a low basis. After a 4 year hold (which is also the expiration of the interest only period), the income for the property should be around 30% higher than current causing the property to be worth just over \$4.2 million, and the balance of the loan would still be stagnant. Investors will have an opportunity to refinance at the initial down payment of the property. This is essentially a cash-out refinance, so the ownership maintains full equity of the property with no money in. This creates a situation in which the ownership keeps a cash flowing property while also keeping capital for other ventures.

This property, built in the 2010s, requires minimal capital expenditures due to its recent construction. It boasts an excellent tenant base, providing a stable income stream. Additionally, it's a rare opportunity to acquire such a modern asset with a cap rate exceeding 8% on a T-3 basis.

## INVESTMENT HIGHLIGHTS

*The Quarters offers a cash flowing property that is already performing at a high level with more upside potential possible. Our investment thesis outlines a plan for future ownership for the best possible financial performance.*

### MARKET GROWTH IN GBP: GULFPORT, BILOXI PASCAGOULA

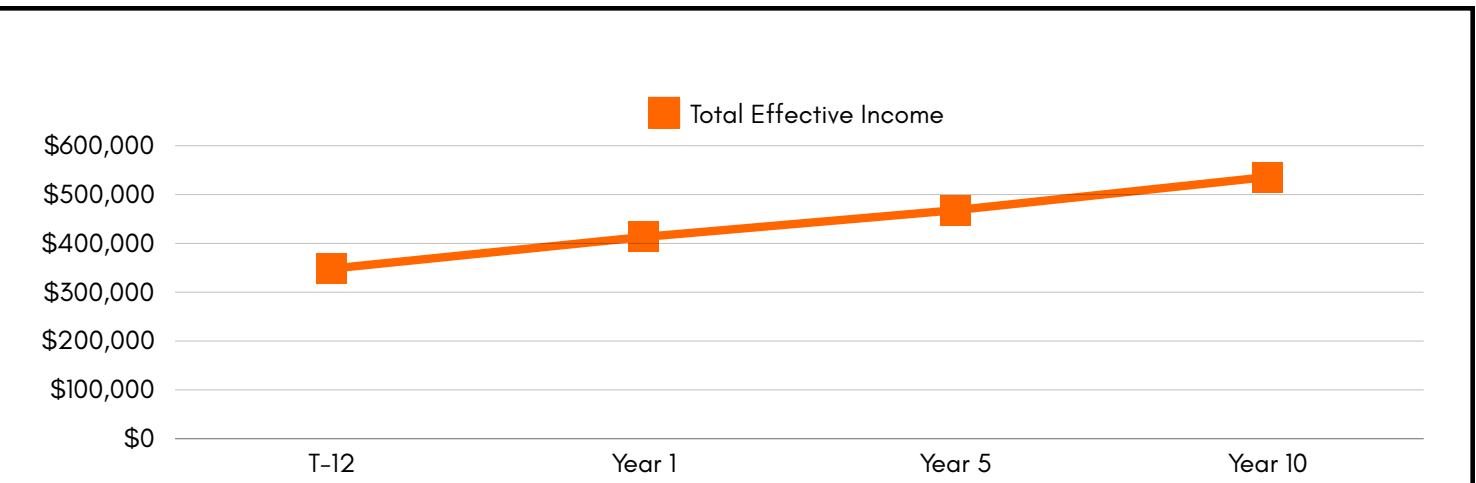
This asset comes on the market as the GBP area is experiencing a period of heightened growth, development, and investment. The tourism aspect alone had a \$2.7 billion impact last year.

### CASH-OUT REFINANCE

As outlined in the investment thesis, the subject property presents an opportunity to take a loan for the amount of the initial down payment in a few years which allows ownership to maintain full ownership with no capital invested in the property. After the new loan, the debt coverage ratio is 1.21.

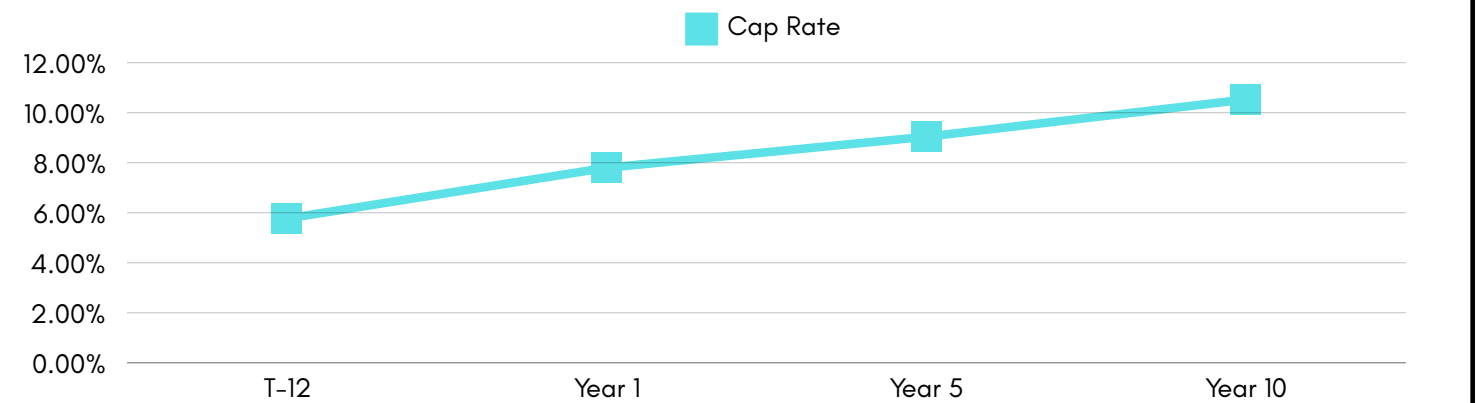
### UNENCUMBERED BY INSURANCE BURDEN

The Quarter and the surrounding area were changed from an AE flood zone to an X zone following a Letter of Map Amendment (LOMA) issued in December 2017. This amendment reduces the insurance requirements for this property. As a result, the LOMA enables investors to enter a growing area without having to contend with its major drawback.



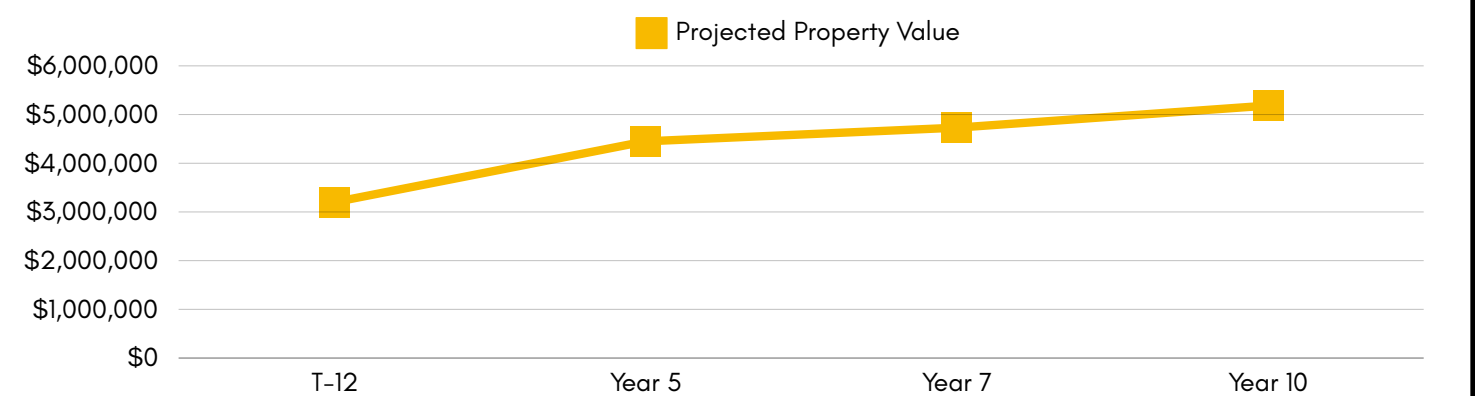
### EFFECTIVE INCOME INCREASE | CURRENT - YEAR 10

Based on the full financials of the property, we feel confident that new ownership could push the effective income of the property by around 34% over five years with conservative rental increases. This gives new ownership even more room for a cash-out refinance option. Additionally, the projected income growth could enhance the property's overall valuation, making it an attractive investment opportunity.



### CAP RATE IMPROVEMENTS | CURRENT - YEAR 10

To the left is a chart which illustrates the progressive improvement of the property's cap rate from current expense adjusted T-12 through year 10 based on a value of \$3,200,000. As shown by the graph, the property reaches a 9% cap rate in year 5 of the holding period. The graph highlights the potential of the property as operational efficiencies are realized and revenues increase.



### PRICING ANALYSIS | CURRENT - YEAR 10

This graph is based on the pro forma financial analysis of the property as well as its current performance. As seen on the graph, the valuation estimation for year 5 is roughly \$4.5 million, which is a 39% increase from the purchase price

THE QUARTERS  
APARTMENTS

PROPERTY

*Explore The Quarters in Gulfport through property information and image gallery. This impressive property has never been traded and features unique features such as concrete flooring and granite countertops. The unit mix of 2 & 3 bedroom units make it especially desirable for today's renter.*



## OVERVIEW

PRICE	\$3,200,000
PROPERTY NAME	The Quarters
ADDRESS	11350 New Orleans Ave, Gulfport, MS 39503
MARKET   SUBMARKET	Gulfport-Biloxi-Pascagoula   Gulfport
YEAR BUILT	2010
NUMBER OF UNITS	36
OCCUPANCY	96%
RENTABLE FT <sup>2</sup>	33,600
RENT TYPE	Market

## PROPERTY

LAND AREA	2.87 Acres
SITE LAYOUT	6 Buildings
FLOOD ZONE	B and X
PARKING	Concrete
EXTERIOR MATERIALS	Siding
ROOF	Pitched Shingle
FLOORS	Stained Concrete
FOUNDATION	Slab
STYLE	1-Story Walkup

## UNIT MIX SUMMARY

UNIT TYPE	# UNITS	UNIT SIZE	EFFECTIVE	PSF	GPI	MARKET	PSF	GPI
2 BD	32	900	\$944	\$1.05	\$362,473	\$1,000	\$1.11	\$384,000
3 BD	4	1200	\$1,092	\$0.91	\$52,400	\$1,200	\$1.00	\$57,600
<b>TOTAL</b>	<b>36</b>	<b>33,600</b>	<b>\$960</b>	<b>\$1.03</b>	<b>\$414,873</b>	<b>\$1,022</b>	<b>\$1.10</b>	<b>\$441,600</b>

## UNITS

UTILITIES	Water, Sewer, & Trash Included
LAUNDRY	Washer & Dryer Hookups in Unit
AVERAGE UNIT SIZE	942 ft <sup>2</sup>
RENOVATIONS	Fully Renovated
CENTRAL HVAC	Yes
PETS	Allowed

## AMENITIES

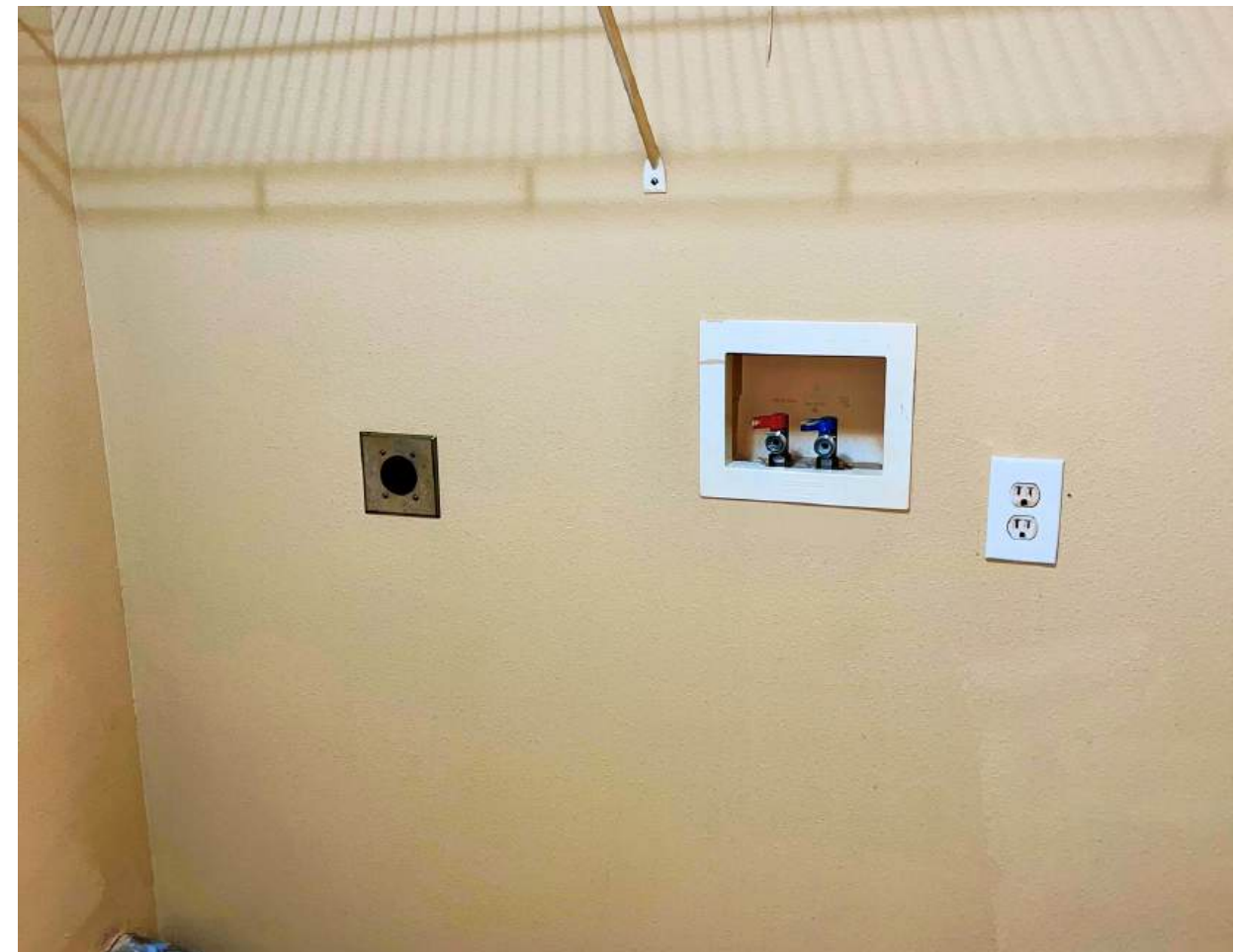
COMMUNITY	Front and Back Porches
	Outdoor Space
	Ample Parking
	All Units Ground Level

APARTMENT	Granite Countertops
	Ceiling Fans
	Oven/Range
	Refrigerator
	Washer/Dryer Hookups in All Units
	Dishwasher











THE QUARTERS  
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MARKET & SUBMARKET

*This property is situated in the popular Orange Grove neighborhood in Gulfport, Mississippi. This area of the Mississippi coast is seeing impressive growth due to the well established industries in the area such as manufacturing & production, health care, and aerospace. The area has also see new recreational and commercial development to accompany the impressive industry growth.*



# MARKET GROWTH | GULFPORT, MS

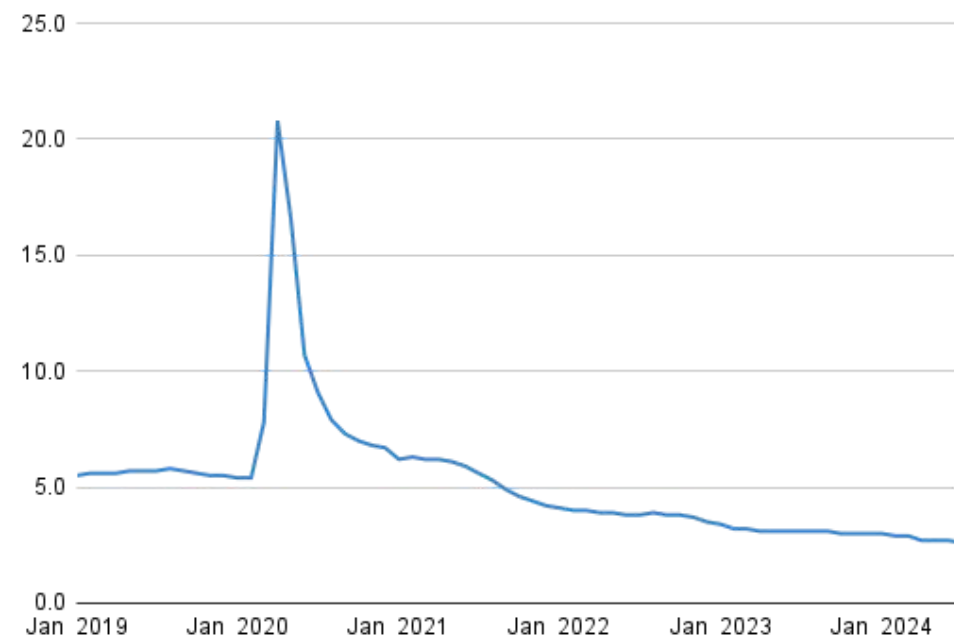
## UNIQUE OPPORTUNITY IN A GROWING MARKET

*Gulfport-Biloxi-Pascagoula (GBP) is the second largest metro in Mississippi behind Jackson with more room to grow. The Quarter's location makes this property perfectly positioned for growth. As the Mississippi coast continues to grow and investments stream in, this property is located within close proximity to the largest generators of revenue in the state of Mississippi - the ports, casinos, and oil refineries- which translates to an excellent and reliable tenant base.*

### LOCATION FUNDAMENTALS

POPULATION	72,236
MEDIAN HOUSEHOLD INCOME	\$43,499
AVG COMMUTE TIME	22 Minutes

### UNEMPLOYMENT 2019-2024



### GAINFUL EMPLOYMENT

- All 3 ports along the coast of Mississippi have been deepened and widened to handle more large bulk cargo and are delivering on thousands of long-promised jobs to all the 3 markets.
- New ownership will have a solid tenant base made up of highly paid, skilled & unskilled workers.
- The property is also within miles of the casinos which generate over \$2B in revenue per year for the state of Mississippi.
- Ingalls has \$8B in combined contracts to build destroyers, ice-breakers, and Big Deck America-Class Amphibious Warships. Currently employs 11,000 and looking to fill 4,000 jobs.
- Nearby, the Chevron refinery is in a \$30M expansion and produces 369,000 barrels per day.

### MOMENTUM

- Amtrak has committed to restarting services throughout the Mississippi coast. The trains will stop in New Orleans, Bay St. Louis, Gulfport, Biloxi, Pascagoula and Mobile.
- New developments within the city of Gulfport has given room for new businesses, hotels, restaurants and lofts.
- Blind Tiger Beach in Pass Christian will be the first commercial waterfront development since Hurricane Katrina in 2005.

### EMPLOYMENT

According to Federal Reserve Economic Data, the unemployment rate for the GBP area as a whole is significantly improved compared to pre-pandemic levels. This is illustrated in the graph below.



# ECONOMIC GROWTH & IMPACT

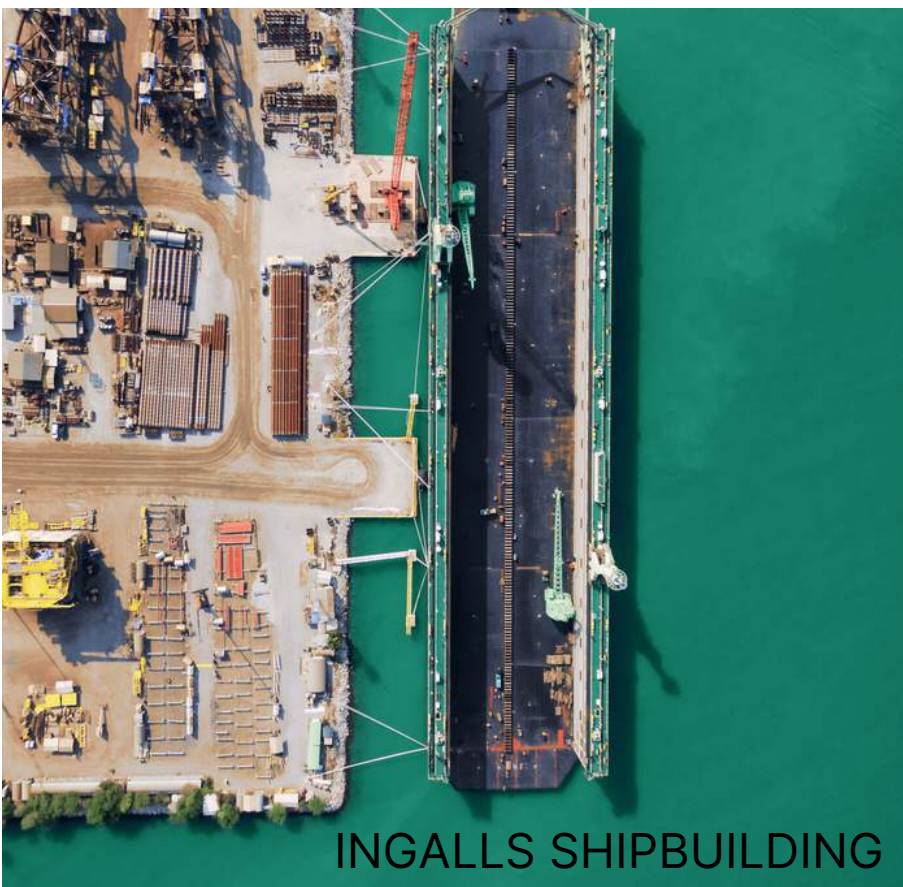


## PORT OF PASCAGOULA

- Ranked #27 out of 150 ports in the US as far as gross tonnage - **25 Million Tons Annually**
- **Responsible for over 19k jobs locally**, \$902MM in personal income, \$393MM in spending, \$50MM in state tax revenue & \$27MM in tax revenues to Jackson County.

## INGALLS SHIPBUILDING

- Ingalls was awarded a **\$5.1B contract to build 4 destroyers in 2018. All cost \$2.8B/each to construct in 2024.**
- Completed and launched The Bougainville (LHA-8) in October of 2023 & began fabrication of The Fallujah in September of 2023 (LHA-9) after being awarded the \$2.4B full construction contract in 2022
- In 2022, **the US Navy Awarded Ingalls a \$130MM advanced procurement contract** for the services for the next "big deck" America-Class Amphibious Warship (LHA-10). This will be the 3rd Flight 1 America-class ship after The USS America (LHA-6) and USS Tripoli (LHA-7).
- Ingalls were already building guided-missile destroyers, San Antonio-Class Amphibious Assault Ships & Coast Guard Cutter Ships prior to the new contracts.
- **Ingalls currently employs 11,000.** Local news sources say Ingalls is **looking to hire as many as 4,000 new employees** in 2024 to handle the increased workload.



## CHEVRON REFINERY

- Employs 1,600+ employees and 1,100+ contractors
- One of the top largest refineries in the US. Chevron's largest domestic refinery
- **Currently in a \$29.5MM expansion:** 5 new buildings north of the refinery including machining & fabrication facilities. Will be making and shipping parts for Chevron businesses throughout the nation.
- Refinery can process 369,000 barrels per day of crude oil. This is equivalent to a football field covered to a depth of 41 feet.
- **6.9 million gallons of gas produced per day**
- Leading provider of jet fuel to Tampa Airport
- **Local economic impact of over \$963.5MM**

# EMPLOYMENT OVERVIEW

## INDUSTRIES AND OCCUPATIONS

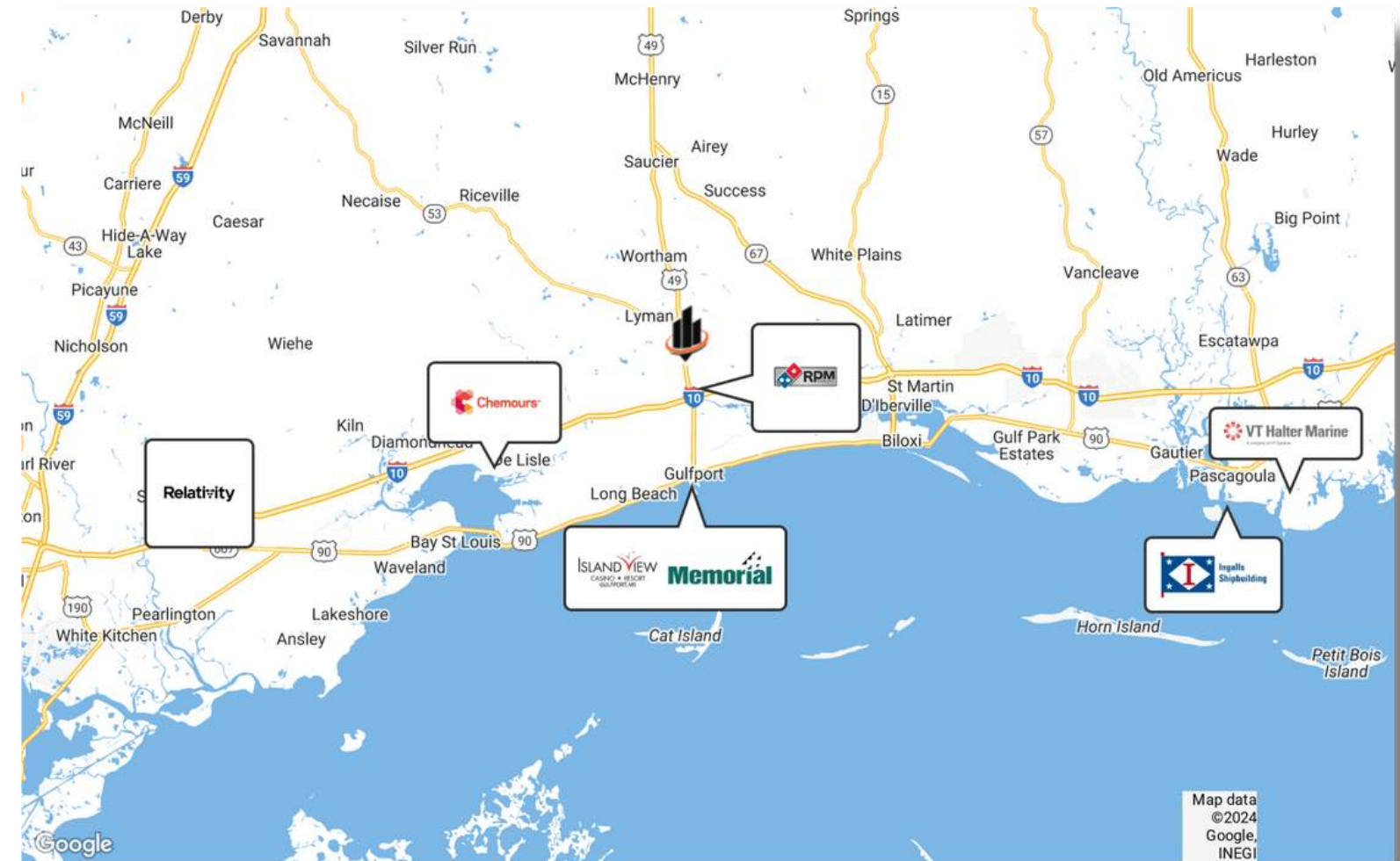
The primary industry in Gulfport is Health Care which is primarily anchored by Memorial Hospital Gulfport. The hospital has 328 beds and consists of a trauma center, several outpatient surgery centers, rehab centers, 2 nursing centers, and hundreds of physician clinics.

As per the graph to the right, service related occupations is the largest occupation for residents of Gulfport. This is primarily due to the strong tourism impact in the area.



## MAJOR EMPLOYERS

EMPLOYER	MILES	EMPLOYEES
Ingalls Shipbuilding	32.1	11,500
RPM Pizza LLC	0.4	3,800
Island View Casino Resort	6.6	1,638
Memorial Hospital	6.4	1,600
Chemours	13.4	1,200
VT Halter Marine	35.5	390
Relativity Space	30.7	80



# MARKET HIGHLIGHTS



OCEAN AERO



DRIFTWOOD  
MOTEL



HOTEL VELA



GULFPORT TRAM BRIDGE



GULFPORT HIGH SCHOOL

## INVESTMENT & DEVELOPMENT

### OCEAN AERO

Ocean Aero manufactures the world's only environmentally powered Autonomous Underwater and Surface Vehicles which are designed to collect data without the need for human presence. The company has relocated its headQuarter from San Diego to the Port of Gulfport.

### EDUCATION DEVELOPMENT

The Gulfport School District has recently had 2 new projects in their schools. The first project is 9,540 square feet of classroom addition which had a total cost of \$4.4 million. The next project was a \$3.5 million renovation to an elementary school in Gulfport.

### GULFPORT TRAM BRIDGE

Earlier this year, Gulfport introduced a new tramway designed to connect some of Gulfport's attractions. The tram was targeted to improve the tourism experience of the area.

### HOSPITALITY

The GBP area is a fast growing area particularly for tourism. In the Gulfport-Biloxi area, there are eight new hotels and 5 new restaurants under development or newly opened. One of the hotels included is a \$140 million 200 room resort which is also comprised of townhomes and a conference center.

# SUBMARKET OVERVIEW

This property is located in the sought after Orange Grove neighborhood in Gulfport. This area is known for its quiet peaceful atmosphere along with its proximity to major retailers.



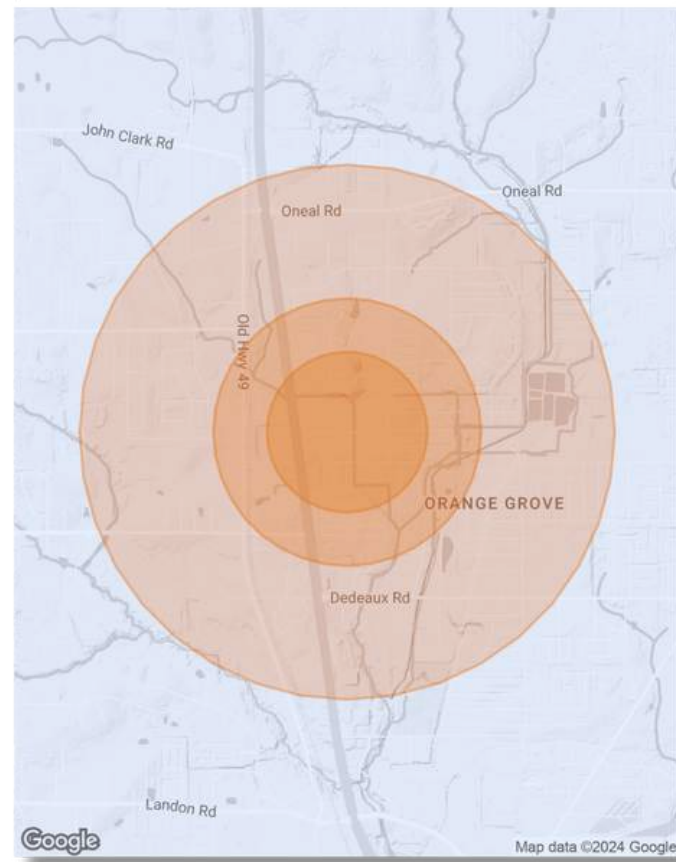
## SUBMARKET AMENITIES

BUSINESS	DISTANCE (MILES)	BUSINESS	DISTANCE (MILES)
Popeye's	0.3	Singing River Health	1.1
Walmart Neighborhood Market	0.5	Raising Cane's	1.4
Regions Bank	0.6	Starbucks	1.5
Walgreens	0.6	Academy Sports	1.6
Dunkin' Donuts	0.8	McAlister's Deli	2.1
Chick Fil A	1.1	Mississippi Aquarium	6.3

## SUBMARKET DEMOGRAPHICS

POPULATION	0.3 MILES	0.5 MILES	1 MILE
TOTAL POPULATION	614	1,783	6,395
AVERAGE AGE	41	41	41
AVERAGE AGE (MALE)	39	40	39
AVERAGE AGE (FEMALE)	43	43	43

HOUSEHOLDS & INCOME	0.3 MILES	0.5 MILES	1 MILE
TOTAL HOUSEHOLDS	260	743	2,569
# OF PERSONS PER HH	2.4	2.4	2.5
AVERAGE HH INCOME	\$73,640	\$70,652	\$71,585
AVERAGE HOUSE VALUE	\$161,585	\$165,203	\$164,706



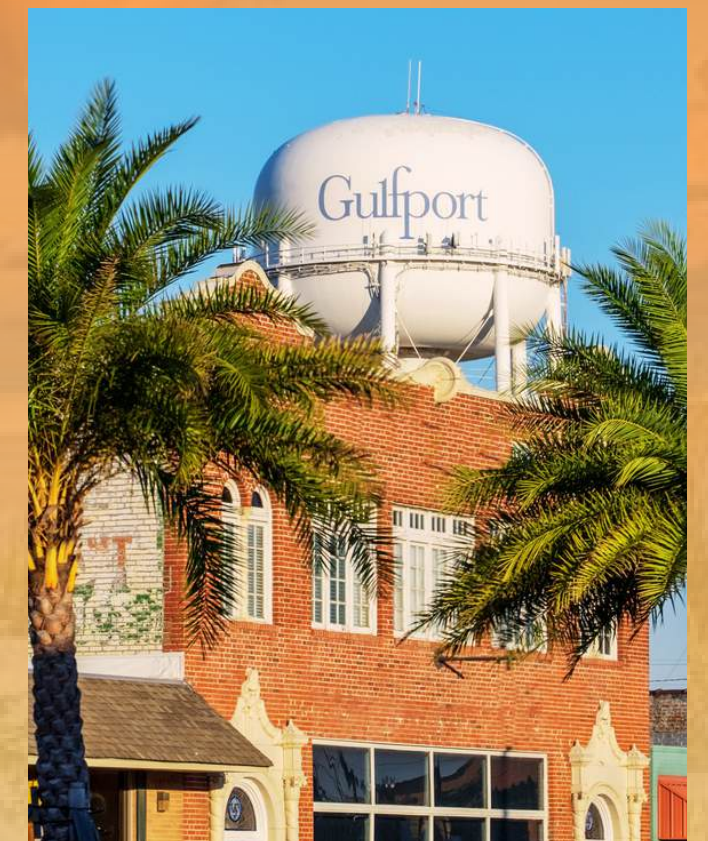


THE QUARTERS  
APARTMENTS

FINANCIALS

*In this section of the Offering Memorandum, you will find detailed financial analysis of this investment.*

*Included in our analysis are the Property Details, Cash Flow Projections, Annual Operating Comparison, Sales and Rent Comps, and Submarket Case Studies.*



# INVESTMENT DETAILS

## PROPERTY SUMMARY

Property:	The Quarters		
Address:	11350 New Orleans Ave, Gulfport, MS 39503	Management	MS Coast Property Management
Units:	36	Occupancy	96%
Yr Built:	2010	UW Occupancy	95%
Total SF:	33,600	Hold Period	5YR
Avg. Unit SF:	933	Rent Type	Market

## UNIT MIX SUMMARY

Unit Type	# Units	Unit Size	Effective	PSF	GPI	Market	PSF	GPI
2 Bed	32	900	\$944	\$1.05	\$362,473	\$1,000	\$1.11	\$384,000
3 Bed	4	1200	\$1,092	\$0.91	\$52,400	\$1,200	\$1.00	\$57,600
<b>Total</b>	<b>36</b>	<b>33,600</b>	<b>\$960</b>	<b>\$1.03</b>	<b>\$414,873</b>	<b>\$1,022</b>	<b>\$1.10</b>	<b>\$441,600</b>

PROPERTY TAXES				PROJECTED TAXES	
State	MS	2023 Tax Value	\$1,485,556	Appraised Price	\$2,005,500
County	Harrison	Assessed Value	\$222,833	Assessed Value	\$300,825
City	Gulfport	Millage Rate	12%	Estimated Tax Rate	0.1200
		Real Property Tax	\$26,740	Pro Forma Property Tax	\$36,099
		Additional Fees	0	Additional Fees	0
		Property Tax Rebate	0	Property Tax Rebate	0
		Personal Property Tax	0	Personal Property Tax	0
Assessment Ratio	15%	2023 Total Property Taxes	\$26,740	Total Pro Forma Taxes	\$36,099

## 5-YEAR DISPOSITION OUTLOOK

Sales Price	\$3,200,000
Per Unit	\$88,889
Per SF	\$95.24
Cash on Cash Hold Period	9.99%
Cap Rate T-12	6.71%
Cap Rate T-3	8.19%
Cap Rate T-1	8.06%
Cap Rate T-3 Expense Adjusted	7.09%
Cap Rate going YR 1 TA	7.64%
10 Year IRR	19.65%
7 Year IRR	23.15%
5 Year IRR	27.88%

## PROPOSED DEBT STRUCTURE

Loan to Value:	75%
Down Payment:	\$800,000
Loan Amount:	\$2,400,000
Interest Rate:	7.00%
Amortization (Months):	300
Interest Only (Months):	48
Monthly I/O Payment:	\$14,000
Monthly P&I Payment:	\$16,963
Debt Coverage Ratio	1.29

# CASH FLOW PROJECTIONS

## FORECAST ASSUMPTIONS

Market Rent Growth	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%
Loss to Lease	4.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Vacancy	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Concessions	0.00%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%
Other Income Growth	-71.07%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Expense Growth	26.28%	2.49%	2.15%	2.15%	2.16%	2.16%	2.16%	2.16%	2.16%	2.16%

## 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	453,744	466,222	479,043	492,217	505,753	519,661	533,952	548,635	563,723	579,225
Loss to Lease	(18,150)	(11,656)	(11,976)	(12,305)	(12,644)	(12,992)	(13,349)	(13,716)	(14,093)	(14,481)
<b>Gross Potential Income</b>	<b>435,594</b>	<b>454,566</b>	<b>467,067</b>	<b>479,911</b>	<b>493,109</b>	<b>506,669</b>	<b>520,603</b>	<b>534,919</b>	<b>549,630</b>	<b>564,744</b>
Vacancy	(22,687)	(23,311)	(23,952)	(24,611)	(25,288)	(25,983)	(26,698)	(27,432)	(28,186)	(28,961)
Concessions	(1,134)	(1,166)	(1,198)	(1,231)	(1,264)	(1,299)	(1,335)	(1,372)	(1,409)	(1,448)
Other Income	1,372	1,399	1,427	1,456	1,485	1,514	1,545	1,576	1,607	1,639
<b>Effective Income</b>	<b>413,144</b>	<b>431,489</b>	<b>443,344</b>	<b>455,526</b>	<b>468,042</b>	<b>480,902</b>	<b>494,115</b>	<b>507,692</b>	<b>521,641</b>	<b>535,974</b>
Payroll	-	-	-	-	-	-	-	-	-	-
Management	34,084	35,598	36,576	37,581	38,613	39,674	40,764	41,885	43,035	44,218
Administrative	3,798	3,874	3,951	4,030	4,111	4,193	4,277	4,362	4,450	4,538
Repairs & Maintenance	22,738	23,193	23,657	24,130	24,613	25,105	25,607	26,119	26,642	27,175
Legal & Professional	1,995	2,035	2,076	2,117	2,160	2,203	2,247	2,292	2,338	2,384
Turnover	17,100	17,442	17,791	18,147	18,510	18,880	19,257	19,643	20,035	20,436
Advertising & Marketing	468	477	487	497	507	517	527	538	548	559
Exterminator	1,383	1,411	1,439	1,468	1,497	1,527	1,558	1,589	1,621	1,653
Utilities	8,221	8,385	8,553	8,724	8,898	9,076	9,258	9,443	9,632	9,825
Dumpster	714	728	743	758	773	788	804	820	837	853
Grounds	2,000	2,040	2,081	2,122	2,165	2,208	2,252	2,297	2,343	2,390
Insurance	40,000	40,800	41,616	42,448	43,297	44,163	45,046	45,947	46,866	47,804
Taxes	36,099	36,821	37,557	38,309	39,075	39,856	40,653	41,466	42,296	43,142
<b>Total Operating Expenses</b>	<b>168,601</b>	<b>172,804</b>	<b>176,527</b>	<b>180,331</b>	<b>184,218</b>	<b>188,191</b>	<b>192,252</b>	<b>196,401</b>	<b>200,643</b>	<b>204,977</b>
<b>NOI before Reserves</b>	<b>244,544</b>	<b>258,684</b>	<b>266,818</b>	<b>275,195</b>	<b>283,823</b>	<b>292,710</b>	<b>301,863</b>	<b>311,290</b>	<b>320,999</b>	<b>330,997</b>
Replacement Reserves	10,800	10,800	10,800	10,800	10,800	10,800	10,800	10,800	10,800	10,800
<b>NOI after Reserves</b>	<b>233,744</b>	<b>247,884</b>	<b>256,018</b>	<b>264,395</b>	<b>273,023</b>	<b>281,910</b>	<b>291,063</b>	<b>300,490</b>	<b>310,199</b>	<b>320,197</b>
Annual Debt Service	168,000	168,000	168,000	168,000	203,552	203,552	203,552	203,552	203,552	203,552
<b>Cash Return</b>	<b>65,744</b>	<b>44,332</b>	<b>52,465</b>	<b>60,843</b>	<b>69,471</b>	<b>78,358</b>	<b>87,511</b>	<b>96,938</b>	<b>106,646</b>	<b>116,645</b>
Cash on Cash Return	8.22%	5.54%	6.56%	7.61%	8.68%	9.79%	10.94%	12.12%	13.33%	14.58%
Debt Coverage Ratio	1.15	1.22	1.26	1.30	1.34	1.38	1.43	1.48	1.52	1.57

# 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	441,600	12,267	441,600	12,267	441,600	12,267	453,744	12,604
Loss to Lease	(42,000)	(1,167)	(32,000)	(889)	(27,000)	(750)	(18,150)	(504)
<b>Gross Potential Income</b>	<b>\$399,600</b>	<b>11,100</b>	<b>\$409,600</b>	<b>11,378</b>	<b>\$414,600</b>	<b>11,517</b>	<b>\$435,594</b>	<b>12,100</b>
Vacancy	(52,647)	(1,462)	(18,867)	(524)	(27,759)	(771)	(22,687)	(630)
Concessions	0	0	0	0	0	0	(1,134)	(32)
Other Income	1,345	37	4,741	132	4,601	128	1,372	38
<b>Effective Income</b>	<b>\$348,297</b>	<b>9,675</b>	<b>\$395,474</b>	<b>10,985</b>	<b>\$391,442</b>	<b>10,873</b>	<b>\$413,144</b>	<b>12,723</b>
Payroll	0	0	0	0	0	0	0	0
Management	28,354	788	28,354	788	28,354	788	34,084	947
G&A	3,723	103	3,723	103	3,723	103	3,798	105
R&M	22,293	619	22,293	619	22,293	619	22,738	632
Legal and Professional	1,956	54	1,956	54	1,956	54	1,995	55
Turnover	10,871	302	10,871	302	10,871	302	17,100	475
Advertising/Marketing	459	13	459	13	459	13	468	13
Exterminator	1,356	38	1,356	38	1,356	38	1,383	38
Utilities	8,060	224	8,060	224	8,060	224	8,221	228
Dumpster Rent	700	19	700	19	700	19	714	20
Grounds	0	0	0	0	0	0	2,000	56
Insurance	29,000	806	29,000	806	29,000	806	40,000	1,111
Taxes	26,740	743	26,740	743	26,740	743	36,099	1,003
<b>Total Operating Expenses</b>	<b>\$133,511</b>	<b>3,709</b>	<b>\$133,511</b>	<b>3,709</b>	<b>\$133,511</b>	<b>3,709</b>	<b>\$168,601</b>	<b>4,683</b>
<b>NOI before Reserves</b>	<b>\$214,786</b>	<b>5,966</b>	<b>\$261,963</b>	<b>7,277</b>	<b>\$257,931</b>	<b>7,165</b>	<b>\$244,544</b>	<b>6,793</b>
Replacement Reserves							10,800	
<b>NOI after Reserves</b>	<b>\$214,786</b>	<b>5,966</b>	<b>\$261,963</b>	<b>7,277</b>	<b>\$257,931</b>	<b>7,165</b>	<b>\$233,744</b>	<b>6,493</b>
<b>Cap Rate</b>		<b>6.71%</b>		<b>8.19%</b>		<b>8.06%</b>		<b>7.64%</b>

# RENT COMPARABLES



THE QUARTERS



CANDLEWOOD VILLAS



CAMILLE VILLAGES



HIDDEN OAKS APARTMENTS

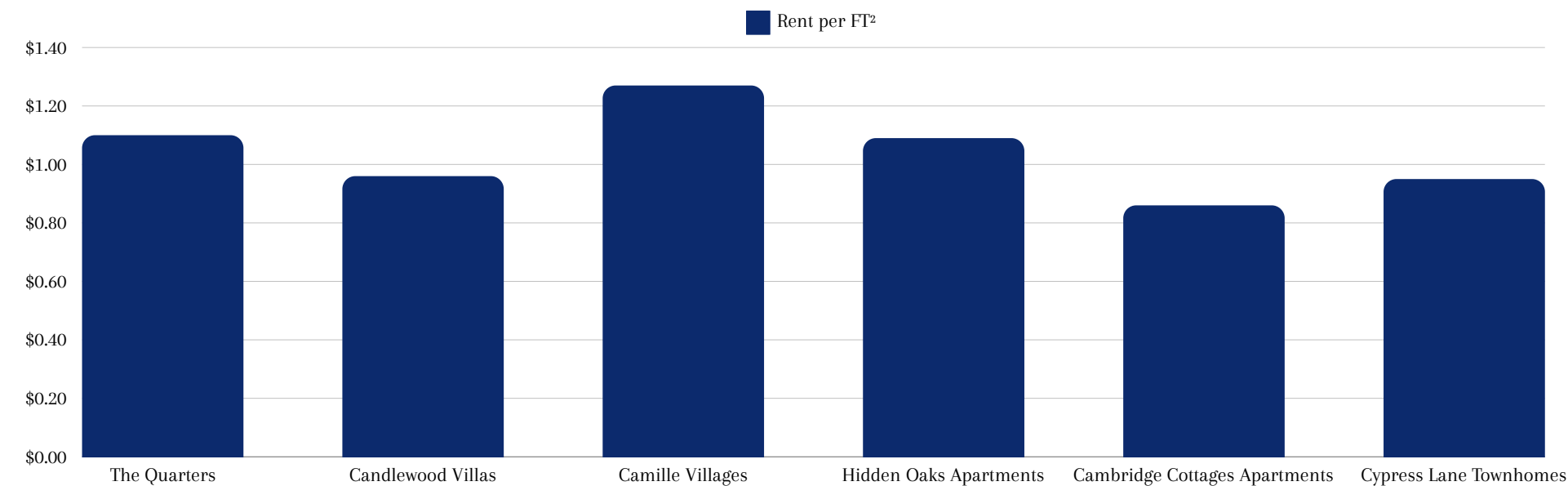
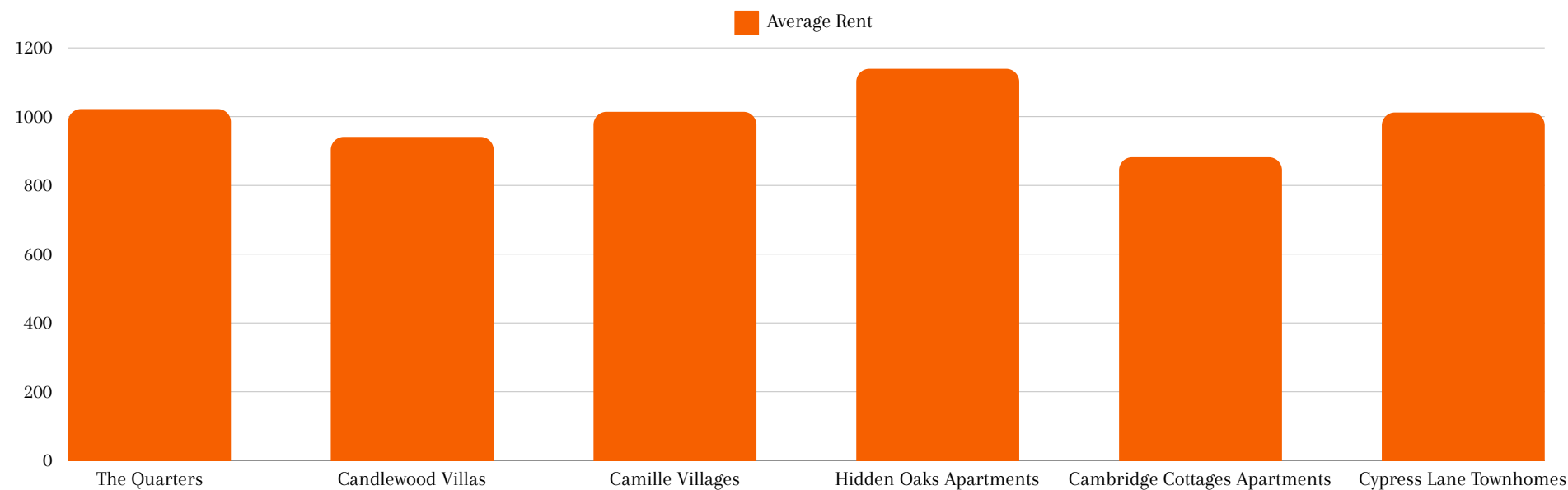


CAMBRIDGE COTTAGES APARTMENTS



CYPRESS LANE TOWNHOMES

	THE QUARTERS	CANDLEWOOD VILLAS	CAMILLE VILLAGES	HIDDEN OAKS APARTMENTS	CAMBRIDGE COTTAGES APARTMENTS	CYPRESS LANE TOWNHOMES
ADDRESS	11350 New Orleans Ave	1030 35th St	640 Hurricane Cir	310 Abbey Ct	101-124 Royal St	1224 29th St
CITY	Gulfport, MS	Gulfport, MS	Pass Christian, MS	Biloxi, MS	Waveland, MS	Gulfport, MS
YR BUILT	2010	2001	2006	1995	2004	1985/2008
BUILDING SF	33,600	33,000	60,200	205,747	45,900	73,440
<b>UNITS</b>	<b>36</b>	<b>32</b>	<b>86</b>	<b>180</b>	<b>72</b>	<b>68</b>
<b>AVG. UNIT SIZE</b>	<b>933</b>	<b>983</b>	<b>801</b>	<b>1,045</b>	<b>1,025</b>	<b>1,061</b>
<b>AVG. RENT</b>	<b>\$1,022</b>	<b>\$941</b>	<b>\$1,014</b>	<b>\$1,139</b>	<b>\$882</b>	<b>\$1,012</b>
AVG. RENT/SF	\$1.10	\$0.96	\$1.27	\$1.09	\$0.86	\$0.95
AMI (2 MI.)	\$49,522	\$33,348	\$59,540	\$53,574	\$53,193	\$31,004



# RENT COMPARABLES UNIT MIX



## THE QUARTERS (SUBJECT PROPERTY)

Unit Type	# of Units	Asking Rent	Square Feet	Rent/SF
2 BD	32	\$1,000	900	\$1.11
3 BD	4	\$1,200	1200	\$1.00



## CANDLEWOOD VILLAS

Unit Type	# of Units	Asking Rent	Square Feet	Rent/SF
2 BD 1 BA	24	\$916	932	\$0.98
3 BD 2 BA	8	\$1,018	1134	\$0.90



## CAMILLE VILLAGES

Unit Type	# of Units	Asking Rent	Square Feet	Rent/SF
1 BD 1 BA	30	\$833	530	\$1.57
2 BD 1 BA	26	\$960	840	\$1.14
3 BD 1 BA	19	\$1,212	925	\$1.31
4 BD 2 BA	8	\$1,263	1147	\$1.10
5 BD 2 BA	3	\$1,363	1454	\$0.94



## HIDDEN OAKS APARTMENTS

Unit Type	# of Units	Asking Rent	Square Feet	Rent/SF
2 BD 1 BA	20	\$1,059	977	\$1.08
2 BD 2 BA	88	\$1,104	977	\$1.13
3 BD 2 BA	1147	\$1,204	1147	\$1.05



## CAMBRIDGE COTTAGES APARTMENTS

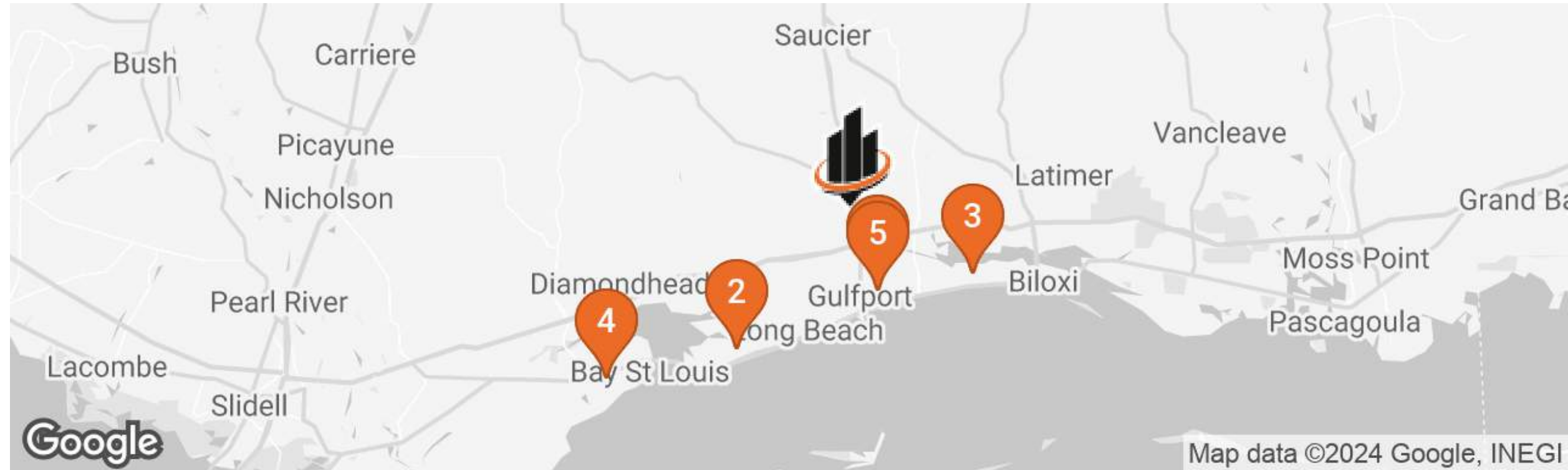
Unit Type	# of Units	Asking Rent	Square Feet	Rent/SF
1 BD 1 BA	18	\$790	800	\$0.99
2 BD 2 BA	54	\$913	1100	\$0.83



## CYPRESS LANE TOWNHOMES

Unit Type	# of Units	Asking Rent	Square Feet	Rent/SF
2 BD 1.5 BA	67	\$1,000	1050	\$0.95
3 BD 2 BA	1	\$1,817	1800	\$1.01

# RENT COMPARABLES LOCATION



The Quarters (Subject Property)  
11350 New Orleans Ave  
Gulfport, MS  
Average Rent \$1,022



2  
Camille Villages  
640 Hurricane Circle  
Pass Christian, MS  
Average Rent \$1,014



4  
Cambridge Cottages Apartment  
101-124 Royal St  
Waveland, MS  
Average Rent \$882



1  
Candlewood Villas  
1030 35th St  
Gulfport, MS  
Average Rent \$941



3  
Hidden Oaks Apartments  
310 Abbey Ct  
Biloxi, MS  
Average Rent \$1,139



5  
Cypress Lane Townhomes  
1224 29th St  
Gulfport, MS  
Average Rent \$1,012



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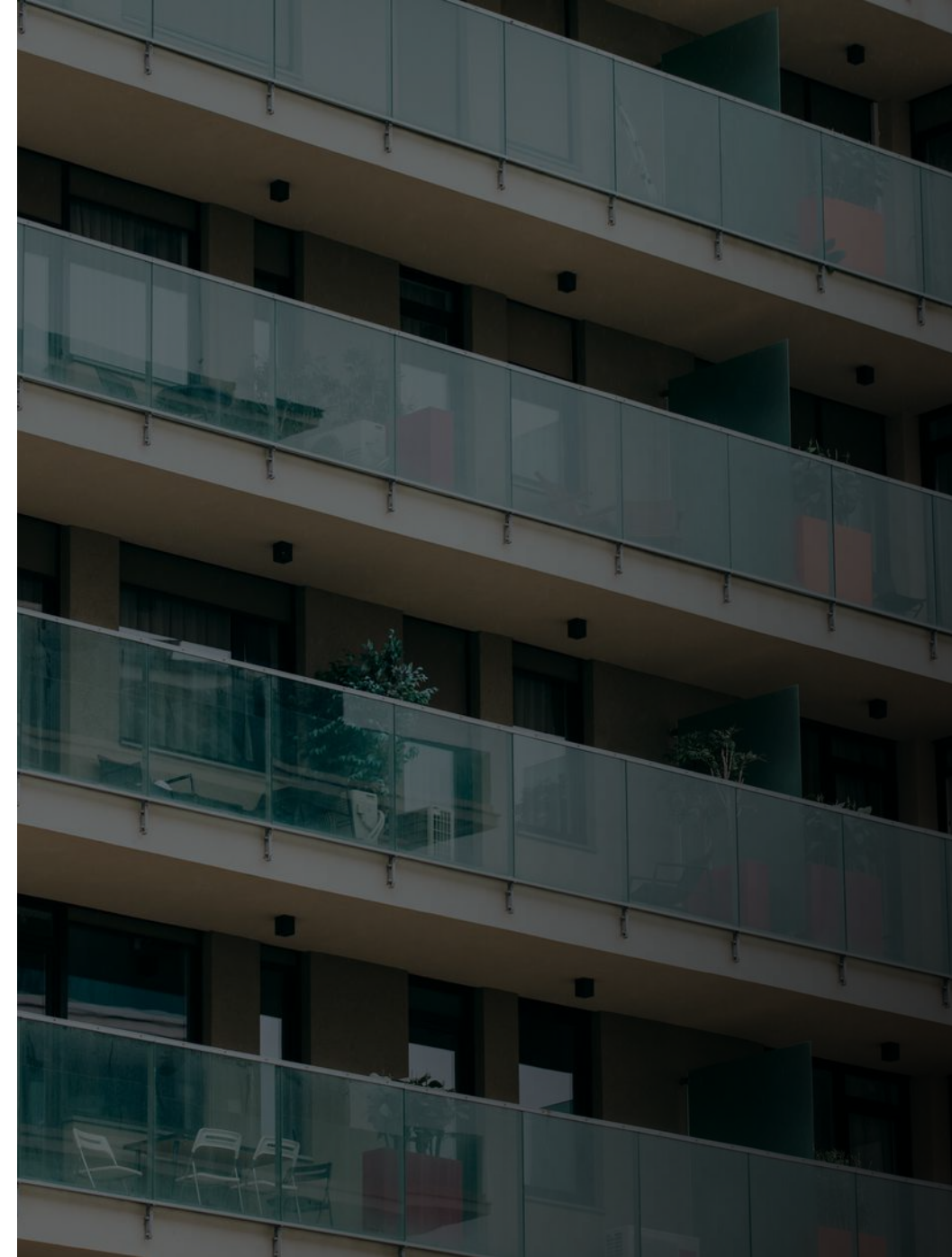
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**200+**

Offices nationwide

**2,000+**

Advisors and Staff

**\$21.1B**

Total value of sales & lease transactions

**8**

Countries & expanding

**7+7**

Core services & speciality practice areas

**57M+**

SF in properties managed

We believe in the power of collective strength to accelerate growth in commercial real estate. Our global coverage and amplified outreach to traditional, cross-market, and emerging buyers and tenants allows us to drive outsized success for our clients, colleagues, and communities. Our unique business model is built on the power of collaboration and transparency and supported by our open, inclusive culture. By proactively promoting properties and sharing fees with the entire industry, we build lasting connections, create superior wealth for our clients, and prosper together.

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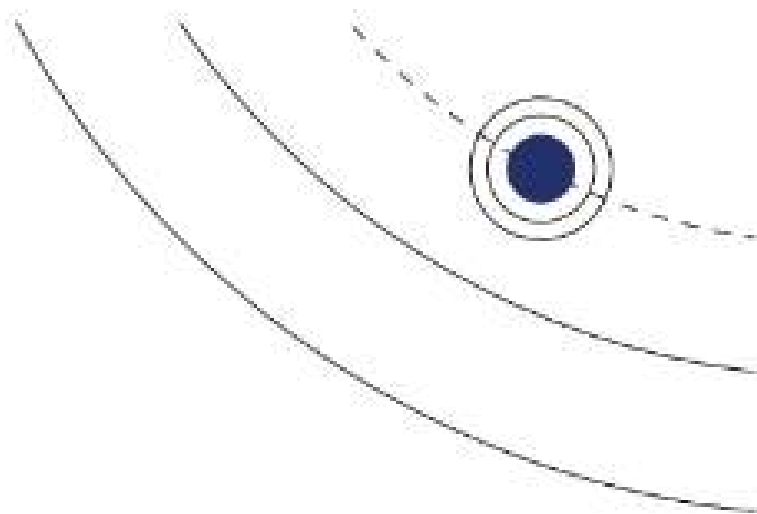
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# The 9.6% report

A REPORT ON THE PRICING  
ADVANTAGE OF COOPERATION



**SVN® ADVISORS SHARE FEES BECAUSE IT CREATES MORE DEMAND AND SUPERIOR VALUE FOR OUR CLIENTS.**

SVN® economists analyzed 15,000 records of sales between \$2.5 and \$20 million in the four core building types— industrial, multifamily, office and retail.

## The Result?

The average price per square foot was higher in every asset class for transactions involving two separate brokerage firms. In aggregate, **the average selling price was 9.6% higher with brokerage cooperation.**

## Think about it.

When a broker says they know all the buyers for a property, do they really? With 65% of buyers coming from out of market, how could they?

250 years ago, Adam Smith wrote down the basic laws of supply and demand: The higher the demand for a product, the higher the sales price.

## It's common sense.

Marketing a property to the widest possible audience increases the price for an owner. This is how SVN Advisors operate - we share fees and build trust, driving outsized success for our clients and our colleagues.

**Visit [svn.com](https://svn.com) to find out more.**

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# THE QUARTERS

APARTMENTS

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