

524 Boone Rd Apartments



524 Boone Rd Eden, NC 27288

7 Apartments

Disclaimer

This document has been prepared by Pelican Realty Capital (“Broker”) solely for advertising and general information only herein. This document does not purport to be all-inclusive or to contain all information that a prospective buyer, investor or lender may require. The information contained herein has been obtained from sources believed to be reliable; however, Pelican Realty Capital and the Property owner (“Owner”) make no representations or warranties, express or implied, as to the accuracy or completeness of this information.

All projections, assumptions, and opinions contained in this document are provided as examples only and are subject to uncertainty and variation. Prospective buyers, investors and lenders should conduct their own independent investigations, analyses, and due diligence relating to the Property, including verification of all information and financial data.

Pelican Realty Capital excludes unequivocally all inferred or implied terms, conditions and warranties arising out of this document and excludes all liability for loss and damages arising there from. The Owner/borrower expressly reserves the right, at its sole discretion, to reject any or all expressions of interest or offers and to terminate discussions with any party at any time with or without notice.

This document/email has been prepared by Pelican Realty Capital for advertising and general information only. Pelican Realty Capital makes no guarantees, representations or warranties of any kind, expressed or implied, regarding the information including, but not limited to, warranties of content, accuracy and reliability. Any interested party should undertake their own inquiries as to the accuracy of the information. Pelican excludes unequivocally all inferred or implied terms, conditions and warranties arising out of this document and excludes all liability for loss and damages arising there from. This Publication is the copyright property of Pelican Realty capital and/or its licensor(s).

By receipt of this document, the recipient agrees that all information contained herein is confidential and that recipient will not disclose it to any other party or use it for any purpose other than evaluating a possible acquisition of the Property. Receipt also agrees not to contact owner/borrower directly without expressed written consent of Pelican Realty Capital.

Property Details

- 7 Units
- 867 Avg. SF Units (6,068 SF Total)
- Year Built 1978
- 1 - 1 Bed 1 Bath
- 3 - 2 Bed 2 Bath
- 1 – 2 Bed 1.5 Bath
- 2 – 2 Bed 2 Bath
- 1 Acre Lot
- Apartments
- Surface Parking
- Number of Buildings 3

A photograph of a brick building with large glass windows and doors, viewed from an interior space with a ceiling fan. The scene is dimly lit, with light coming from the windows. The text "Financial Analysis and Valuation" is overlaid on the left side of the image.

Financial Analysis and Valuation

The financial analysis is based upon a review of the current ownership's proforma. Operating expenses are based on industry standards and underwriting trends from recent debt, equity, and investment sales activity.

Financial Summary

	<u>In Place</u>	<u>Pro-Forma</u>
GPR	\$ 82,620	\$ 92,700
VACANCY	\$ (4,131)	\$ (4,635)
NET RENTAL INCOME	\$ 78,489	\$ 88,065
OTHER INCOME	\$ 4,500	\$ 4,500
EFFECTIVE GROSS INCOME	\$ 82,989	\$ 92,565
REAL ESTATE TAXES	\$ 3,447	\$ 3,447
INSURANCE	\$ 4,000	\$ 4,000
UTILITIES	\$ 7,714	\$ 7,714
REPAIRS & CONTRACT SERVICES	\$ 7,300	\$ 7,300
MANAGEMENT FEE	\$ 4,149	\$ 4,628
ADMINISTRATIVE & MARKETING	\$ 1,600	\$ 1,600
TOTAL EXPENSES	\$ 28,210	\$ 28,689
REPLACEMENT RESERVES	\$ 1,750	\$ 1,750
NOI	\$ 53,029	\$ 62,126

<u>Buyer Debt Assumptions</u>	
Max Proceeds	\$600,000
Rate	5.75%
Amortization	30yr
Term	5, 7 or 10yr
Interest Only	1-3yr
Recourse	Recourse
DSCR	1.25x
LTV	75%

	<u>Debt Matrix</u>							
	<u>LTV</u>	<u>DSCR</u>	<u>Term</u>	<u>Amortization</u>	<u>Rate</u>	<u>Interest Only</u>	<u>Recourse</u>	<u>Prepay</u>
Bank	75	1.25	5-7 yr	25-30 yr	5.75-6%	0-1yr	Recourse	Stepdown & Flexible
Debt Fund (Bridge)	80	1.00	3yr	NA	7-9%	Full Term	Recourse	Flexible

10 Year Cash Flow

	<u>Yr1</u>	<u>Yr2</u>	<u>Yr3</u>	<u>Yr4</u>	<u>Yr5</u>	<u>Yr6</u>	<u>Yr7</u>	<u>Yr8</u>	<u>Yr9</u>	<u>Yr10</u>
GPR	\$ 94,554	\$ 96,445	\$ 98,374	\$ 100,341	\$ 102,348	\$ 104,395	\$ 106,483	\$ 108,613	\$ 110,785	\$ 113,001
VACANCY	\$ (4,728)	\$ (4,822)	\$ (4,919)	\$ (5,017)	\$ (5,117)	\$ (5,220)	\$ (5,324)	\$ (5,431)	\$ (5,539)	\$ (5,650)
NET RENTAL INCOME	\$ 89,826	\$ 91,623	\$ 93,455	\$ 95,324	\$ 97,231	\$ 99,175	\$ 101,159	\$ 103,182	\$ 105,246	\$ 107,351
OTHER INCOME	\$ 4,590	\$ 4,682	\$ 4,775	\$ 4,871	\$ 4,968	\$ 5,068	\$ 5,169	\$ 5,272	\$ 5,378	\$ 5,485
EFFECTIVE GROSS INCOME	\$ 94,416	\$ 96,305	\$ 98,231	\$ 100,195	\$ 102,199	\$ 104,243	\$ 106,328	\$ 108,455	\$ 110,624	\$ 112,836
REAL ESTATE TAXES	\$ 3,516	\$ 3,586	\$ 3,658	\$ 3,731	\$ 3,806	\$ 3,882	\$ 3,959	\$ 4,039	\$ 4,119	\$ 4,202
INSURANCE	\$ 4,080	\$ 4,162	\$ 4,245	\$ 4,330	\$ 4,416	\$ 4,505	\$ 4,595	\$ 4,687	\$ 4,780	\$ 4,876
UTILITIES	\$ 7,868	\$ 8,025	\$ 8,186	\$ 8,350	\$ 8,517	\$ 8,687	\$ 8,861	\$ 9,038	\$ 9,219	\$ 9,403
REPAIRS & CONTRACT SERVICES	\$ 7,446	\$ 7,595	\$ 7,747	\$ 7,902	\$ 8,060	\$ 8,221	\$ 8,385	\$ 8,553	\$ 8,724	\$ 8,899
MANAGEMENT FEE	\$ 4,232	\$ 4,317	\$ 4,403	\$ 4,491	\$ 4,581	\$ 4,673	\$ 4,766	\$ 4,862	\$ 4,959	\$ 5,058
ADMINISTRATIVE & MARKETING	\$ 1,632	\$ 1,665	\$ 1,698	\$ 1,732	\$ 1,767	\$ 1,802	\$ 1,838	\$ 1,875	\$ 1,912	\$ 1,950
TOTAL EXPENSES	\$ 28,774	\$ 29,350	\$ 29,937	\$ 30,536	\$ 31,146	\$ 31,769	\$ 32,405	\$ 33,053	\$ 33,714	\$ 34,388
REPLACEMENT RESERVES	\$ 1,785	\$ 1,821	\$ 1,857	\$ 1,894	\$ 1,932	\$ 1,971	\$ 2,010	\$ 2,050	\$ 2,091	\$ 2,133
NOI	\$ 63,857	\$ 65,134	\$ 66,437	\$ 67,766	\$ 69,121	\$ 70,503	\$ 71,913	\$ 73,352	\$ 74,819	\$ 76,315

Rent Roll, Unit Mix & Other Income

<u>Unit Number</u>	<u>Occupancy</u>	<u>Type</u>	<u>SF</u>	<u>Rent</u>	<u>Market Rent</u>
524 A1	Occ.	2/2.00	1000	\$ 950	\$ 1,150
524 A2	Occ.	2/2.00	1000	\$ 995	\$ 1,150
524 C	Occ.	1/1.00	600	\$ 950	\$ 1,000
524 D	Occ.	2/1.00	768	\$ 995	\$ 1,100
524 F	Occ.	2/1.50	900	\$ 995	\$ 1,125
524 G	Occ.	2/1.00	900	\$ 900	\$ 1,100
524 H	Occ.	2/1.00	900	\$ 1,100	\$ 1,100
100%				\$ 6,885	\$ 7,725

Unit Mix						
<u>Unit type</u>	<u>Amount</u>	<u>SF</u>	<u>In-PlaceRent</u>	<u>Rent SF</u>	<u>Market Rent</u>	<u>Market SF</u>
1 Bed / 1 Bath	1	600	\$ 950	\$ 1.58	\$ 1,000	\$1.67
2 Bed / 1 Bath	3	856	\$ 998	\$ 1.17	\$ 1,100	\$1.29
2 Bed / 1.5 Bath	1	900	\$ 995	\$ 1.11	\$ 1,125	\$1.25
2 Bed / 2 Bath	2	1000	\$ 973	\$ 0.97	\$ 1,150	\$1.15

Other Income	
<u>Source</u>	T12
<u>Items</u>	Utility Reimbursement, App fees, late Fees, Pet Rent

Expenses

Expenses

Real Estate Taxes

In Place Assessment	\$313,324
Milage Rate	1.10%
Full Taxes	\$3,447

Insurance

Source	Plug
Amount	\$4,000
Per Unit	\$571

Utilities

Source	T12
Amount	\$7,714
Per Unit	\$1,102

Management Fee

Source	Plug
Third Party	5% of EGI

Admin & Advertising

Source	Plug
Amount	\$1,600
Per Unit	\$229

Replacement Reserves

Amount	\$250/Unit
--------	------------

Repairs & Maintenance

Source	Plug
Amount	\$7,300
Per Unit	\$1,043

IRR Calculation

IRR Levered		21.84%																				
Cash in	\$	(210,985)																				
Cash Flow			\$	29,357	\$	30,634	\$	31,937	\$	33,266	\$	34,621	\$	36,003	\$	37,413	\$	38,852	\$	40,319	\$	41,815
Refi																						
Sale																						\$574,236
Total	\$	(210,985)	\$	29,357	\$	30,634	\$	31,937	\$	33,266	\$	34,621	\$	36,003	\$	37,413	\$	38,852	\$	40,319	\$	616,051

IRR Unlevered		10.47%																				
Cash in	\$	(810,985)																				
Cash Flow			\$	63,857	\$	65,134	\$	66,437	\$	67,766	\$	69,121	\$	70,503	\$	71,913	\$	73,352	\$	74,819	\$	76,315
Refi																						
Sale																						\$1,074,063
Total	\$	(810,985)	\$	63,857	\$	65,134	\$	66,437	\$	67,766	\$	69,121	\$	70,503	\$	71,913	\$	73,352	\$	74,819	\$	1,150,379

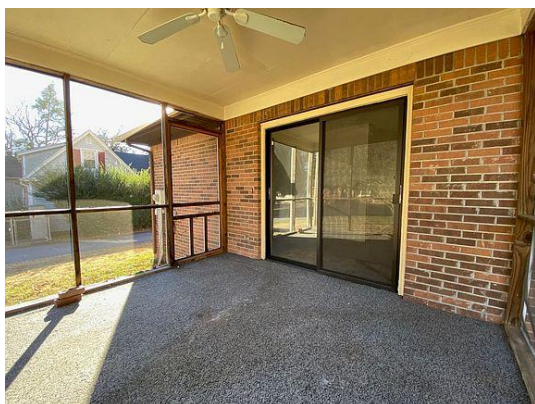
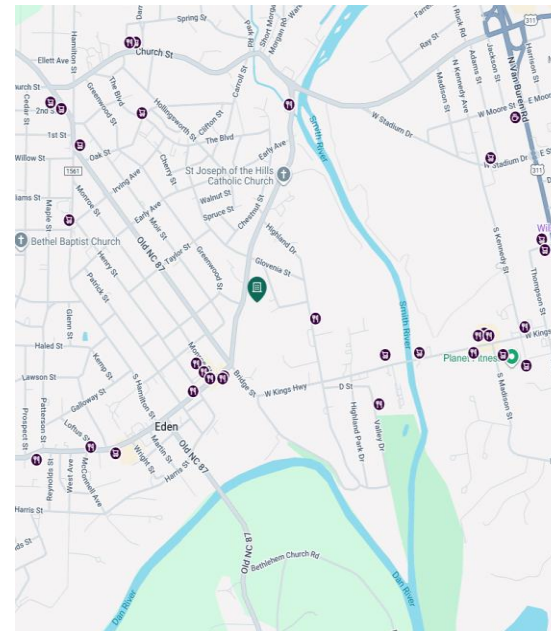
Rent and Sale Comps

Sales Comps								
<u>Property</u>	<u>City</u>	<u>State</u>	<u>Yr Built</u>	<u>Units</u>	<u>Sale Price</u>	<u>Sale Date</u>	<u>Price Unit</u>	<u>Cap Rate</u>
401 Summit St	Madison	NC	1961	12	\$975,000	9/30/2024	\$81,250	9.27%
Arbor Glen Apts.	Eden	NC	2004	96	\$12,500,000	4/1/2025	\$130,208	6.40%
58 West Apartments LLC	Danville	VA	1985	35	\$3,650,000	11/7/2025	\$104,286	
Average							\$105,248	
Subject							\$107,143	

Rent Comps 2 Bedroom							
<u>Property</u>	<u>City</u>	<u>State</u>	<u>Yr Built</u>	<u>Units</u>	<u>SF</u>	<u>Rent</u>	<u>Rent SF</u>
Oakmont Apartments	Reidsville	NC	1997	48	980	\$ 1,100	\$ 1.12
Arbor Glen Apts.	Eden	NC	2004	96	620	\$ 1,135	\$ 1.83
Vista View Apts.	Ridgeway	VA	2001	24	1200	\$ 1,200	\$ 1.00
Average						\$ 1,145	\$ 1.32
Subject						\$ 989	\$ 1.42

Rent Comps 1 Bedroom							
<u>Property</u>	<u>City</u>	<u>State</u>	<u>Yr Built</u>	<u>Units</u>	<u>SF</u>	<u>Rent</u>	<u>Rent SF</u>
Woodland Heights	Reidsville	NC	2000	408	883	\$ 982	\$ 1.11
Arbor Glen Apts.	Eden	NC	2004	96	620	\$ 1,015	\$ 1.64
Average						\$ 999	\$ 1.37
Subject						\$ 950	\$ 1.58

Pictures and Maps



Pelican Realty Capital

Pelican Realty Capital is a full-service commercial real estate capital markets and advisory firm specializing in debt placement, equity structuring, and investment sales. With over \$5 billion in closed transactions & almost 20 years of experience, we have earned a reputation for delivering strategic capital solutions and high-performance execution across all asset classes and markets throughout the United States.

Over the last 20 years, we have kept diligent records of CRE buyers and logged what property types they are interested in. We leverage our network to create custom marketing lists for to reach buyers typical brokers do not have access to.

We guide clients through the entire sales process, applying a structured and proactive approach from initial underwriting and targeted marketing to negotiation and successful closings. Our integrated platform ensures we can anticipate and mitigate risks across financing structures, current market valuations, and unique property challenges, ensuring a smooth path to closing.

Website: <https://www.prcap.org/>

Recent Transactions



- \$260,000,000
- SE Multifamily Portfolio



- \$248,000,000
- Bronx Multifamily Portfolio



- \$58,000,000
- Atlanta Multifamily Portfolio



- \$65,000,000
- Greenville NC



- \$7,000,000
- Statesboro NC



- \$12,000,000
- LIHTC Acquisition



- \$125,000,000
- Acquisition
- Charlotte NC



- \$14,000,000
- Charlotte NC