

COLONIAL APARTMENTS
36 Units



LANDMARK APARTMENTS
12 Units



RIDGECREST APARTMENTS
44 Units



ABILENE APARTMENT PORTFOLIO • ABILENE, TEXAS

ELMCREST APARTMENTS
30 Units



BRIARWOOD APARTMENTS
34 Units



SPANISH ARMS APARTMENTS
34 Units



INVESTMENT HIGHLIGHTS

• Investment Offering:

Abilene Apartment Portfolio 6 Property Multifamily Offering

- Briarwood Apartments
3201 3rd Street North
Abilene, TX 79603
- Colonial Apartments
1701 3rd Street North
Abilene, TX 79601
- Elmcrest Apartments
690 Pioneer Drive North
Abilene, TX 79603
- Landmark Apartments
2083 2nd Street North
Abilene, TX 79603
- Ridgcrest Apartments
302 Mockingbird Lane North
Abilene, TX 79603
- Spanish Arms Apartments
1717 6th Street North
Abilene, TX 79601

• Excellent investment opportunity to acquire six individual multifamily communities with in fill locations throughout central Abilene.

• The six properties offered in the portfolio are all within close location to one another being just over a two mile radius and within a five minute drive.

• The portfolio totals 192 units ranging from spacious one bedroom / one baths to recently renovated two and three bedroom units.

• The current owner has recently spent close to \$200,000 in capital upgrades at the properties within the past 18 months.

PORTFOLIO SNAPSHOT

- 6 individual properties offered in a portfolio sale
- 192 total units
- ± 791 average unit size
- 15 different floor plans
- Over \$197,000 in capital upgrades in 2004 and 2005
- Improving occupancy history in Abilene's stable rental market
- Value added projects with several avenues for increased income and expense savings

The **ABILENE APARTMENT PORTFOLIO**, a 6 property multifamily portfolio totaling 190 units is comprised of the following properties:

BRIARWOOD. The Briarwood Apartments are located at 3201 North 3rd Street in central Abilene. Briarwood was developed in 1962 and contains 34 units consisting of one bedroom / one baths and two bedrooms / one baths. The average unit size of the apartments at Briarwood is ±793 square feet. Briarwood's exterior consists of a combination of brick veneer and wood siding with pitched composition shingle roofs. The units are individually metered for electricity, master metered for water and individually metered for gas. Each unit contains an individual HVAC system which provides for air conditioning powered by electricity and heating powered by gas. The units also contain individual gas hot water heaters and electric cooking.

COLONIAL. The Colonial Apartments are located at 1701 North 3rd Street in central Abilene. Colonial was developed during the 1960s and contains 36 units consisting of one bedroom / one baths, two bedrooms / one baths and two bedroom / two baths. The average unit size of the apartments at Colonial is ±806 square feet. Colonial's exterior consists of a combination of brick veneer and wood siding with pitched composition shingle roofs. The units are individually metered for electricity, master metered for water and master metered for gas. Each unit contains an individual HVAC system which provides for air conditioning powered by electricity and heating powered by gas. The property provides hot water via a central gas fired boiler. The units are equipped with electric cooking.

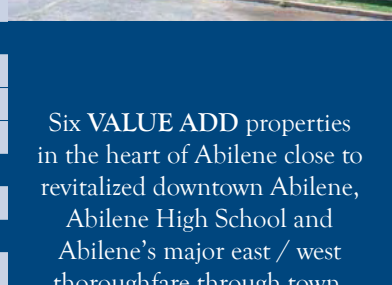
ELMCREST. The Elmcrest Apartments are located at 690 North Pioneer Drive in central Abilene. Elmcrest was developed during the 1960s and contains 30 units consisting of a one bedroom / one bath and two bedrooms / one baths. The average unit size of the apartments at Elmcrest is ±700 square feet. Elmcrest's exterior consists of a combination of brick veneer and wood siding with pitched composition shingle roofs. The units are individually metered for electricity, master metered for water and master metered for gas. Each unit contains an individual HVAC system which provides for both air conditioning and heating powered by electricity. The units also contain individual electric hot water heaters and electric cooking.

LANDMARK. The Landmark Apartments are located at 2083 North 2nd Street in central Abilene. Landmark was originally developed in 1924 as a college dormitory to house students at Abilene Christian University. The property was converted to apartments years later and has recently undergone a major renovation by the current owner. Landmark contains 12 units consisting of two bedroom / one baths and three bedroom / one baths. The average unit size of the apartments at Landmark is ±1,117 square feet. Landmark's exterior consists of brick veneer with a flat roofing system. The units are individually metered for electricity, master metered for water and master metered for gas. Each unit contains an individual HVAC system which provides for both air conditioning and heating powered by electricity. The property provides hot water via a central gas fired boiler. The units are equipped with electric cooking.

RIDGECREST. The Ridgecrest Apartments are located at 302 North Mockingbird Lane in central Abilene. Ridgecrest was developed in 1960 and contains 44 units consisting of one bedroom / one baths, two bedrooms / one baths and two bedrooms / two baths. The average unit size of the apartments at Ridgecrest is ±851 square feet. Ridgecrest's exterior consists of a combination of brick veneer and wood siding with pitched composition shingle roofs. The units are individually metered for electricity, master metered for water and master metered for gas. Each unit contains an individual HVAC system which provides for air conditioning powered by electricity and heating powered by gas. The units also contain individual gas hot water heaters and electric cooking.

SPANISH ARMS. The Spanish Arms Apartments are located at 1717 North 6th Street in central Abilene. Spanish Arms was developed in 1965 and contains 34 units consisting of all one bedroom / one baths. The average unit size of the apartments at Spanish Arms is ±670 square feet. Spanish Arm's exterior consists of a combination of brick veneer and wood siding with pitched composition shingle roofs. The units are master metered for electricity, master metered for water and master metered for gas. Each unit contains an individual wall / window unit system which provides for both air conditioning and heating powered by electricity. The units also contain individual electric hot water heaters and electric cooking. The utility structure at Spanish Arms is All Bills Paid.

OFFERING. The Abilene Apartment Portfolio is being offered to qualified investors on an exclusive basis at an offering price of \$4,465,000. This value added offering represents an opportunity to purchase a 6 in fill located apartment complexes in close proximity to one another in Abilene's stable multifamily market. The offering is a true value add investment opportunity giving the investor the ability to build on the momentum already created by the current owner with additional capital upgrades and enhancements to the properties along with continuing to effectively manage the assets. All inquiries regarding this offering need to be directed to the Kennedy Wilson Texas Multifamily Group.



Six VALUE ADD properties in the heart of Abilene close to revitalized downtown Abilene, Abilene High School and Abilene's major east / west thoroughfare through town, Business Interstate 20

UNIT MIX & RENTAL RATES

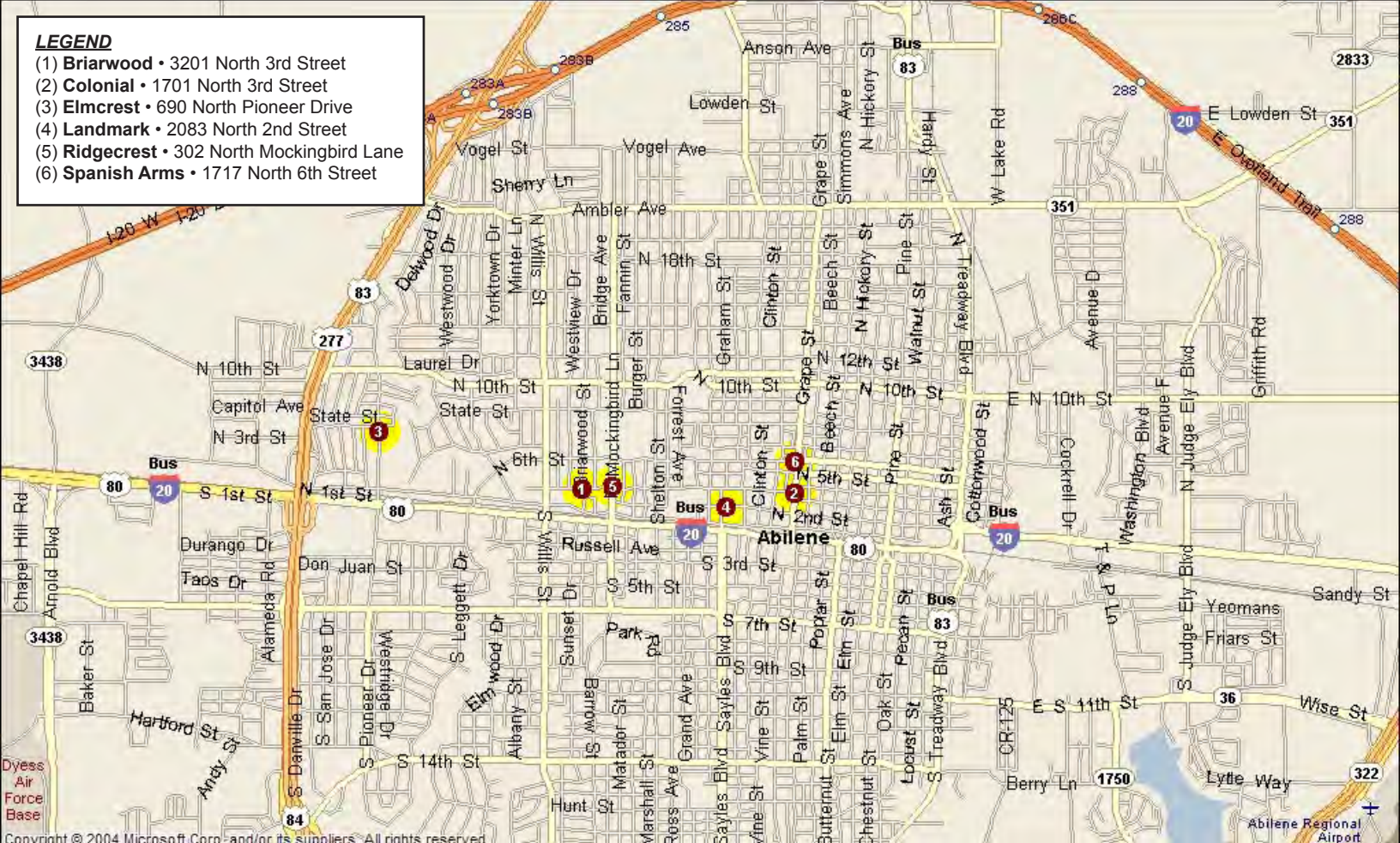
Property	Unit Type	No. Units	Unit Sq. Ft.	Total Sq. Ft.	Rent / Unit	Rent / Sq. Ft.	Total Monthly	Total Annual
BRIARWOOD	1 x 1	12	± 623	± 6,230	\$400	\$0.64	\$4,800	\$57,600
	1 x 1	8	± 795	± 6,360	\$420	\$0.53	\$3,360	\$40,320
	2 x 1	11	± 848	± 9,328	\$415	\$0.49	\$4,565	\$54,780
	2 x 1	5	± 1,007	± 5,035	\$440	\$0.44	\$2,200	\$26,400
Briarwood Total		36	± 783	± 28,199	\$415	\$0.52	\$14,925	\$179,100
COLONIAL	1 x 1	12	± 700	± 8,400	\$330	\$0.47	\$3,960	\$47,520
	2 x 1	20	± 850	± 17,000	\$405	\$0.48	\$8,100	\$97,200
	2 x 2	4	± 900	± 3,600	\$405	\$0.45	\$1,620	\$19,440
Colonial Total		36	± 806	± 29,000	\$380	\$0.47	\$13,680	\$164,160
ELMCREST	1 x 1	1	± 700	± 700	\$400	\$0.57	\$400	\$4,800
	2 x 1	29	± 700	± 20,300	\$400	\$0.57	\$11,600	\$139,200
Elmcrest Total		30	± 700	± 21,000	\$400	\$0.57	\$12,000	\$144,000
LANDMARK	2 x 1	8	± 1,050	± 8,400	\$475	\$0.45	\$3,800	\$45,600
	3 x 1	4	± 1,250	± 5,000	\$550	\$0.44	\$2,200	\$26,400
Landmark Total		12	± 1,117	± 13,400	\$500	\$0.45	\$6,000	\$72,000
RIDGECREST	1 x 1	16	± 784	± 12,544	\$375	\$0.48	\$6,000	\$72,000
	2 x 1	10	± 852	± 8,520	\$375	\$0.44	\$3,750	\$45,000
	2 x 2	18	± 910	± 16,380	\$395	\$0.43	\$7,110	\$85,320
Ridgecrest Total		44	± 851	± 37,444	\$383	\$0.45	\$16,860	\$202,320
SPANISH ARMS	1 x 1	34	± 670	± 22,780	\$425	\$0.63	\$14,450	\$173,400
Spanish Arms Total		34	± 670	± 22,780	\$425	\$0.63	\$14,450	\$173,400
PORTFOLIO TOTAL		192	± 791	± 151,823	\$406	\$0.51	\$77,915	\$934,980

NOTE: The individual square footage of the units listed above are an approximation by Owner and Broker. Neither Owner nor Broker warrant actual square footage sizes listed above and strongly encourage any potential investor to conduct their own measurement of individual units during feasibility studies. Taylor County Appraisal District lists gross building square footages as follows: Briarwood @ 29,376 / Colonial @ No square footage given / Elmcrest @ No square footage given / Landmark @ 11,880 / Ridgecrest @ 39,108 / Spanish Arms @ 20,400.



- LEGEND**
- (1) Briarwood • 3201 North 3rd Street
 - (2) Colonial • 1701 North 3rd Street
 - (3) Elmcrest • 690 North Pioneer Drive
 - (4) Landmark • 2083 North 2nd Street
 - (5) Ridgecrest • 302 North Mockingbird Lane
 - (6) Spanish Arms • 1717 North 6th Street

ABILENE APARTMENT PORTFOLIO • ABILENE, TEXAS



- LEGEND**
- (1) Briarwood • 3201 North 3rd Street
 - (2) Colonial • 1701 North 3rd Street
 - (3) Elmcrest • 690 North Pioneer Drive
 - (4) Landmark • 2083 North 2nd Street
 - (5) Ridgecrest • 302 North Mockingbird Lane
 - (6) Spanish Arms • 1717 North 6th Street

MARKETING PROFORMA

		<u>Per Unit</u>	<u>Per Sq. Ft.</u>
Gross Potential Rent [1]	\$934,980	\$4,870	\$6.16
Less: Vacancy (10%)	(\$93,498)	(\$487)	(\$0.62)
Total Rental Income	\$841,482	\$4,383	\$5.54
Other Income	\$20,000	\$104	\$0.13
Gross Operating Income	\$861,482	\$4,487	\$5.67
Advertising / Marketing	\$3,000	\$16	\$0.02
General & Administrative	\$7,500	\$39	\$0.05
Insurance	\$43,200	\$225	\$0.28
Landscaping	\$9,000	\$47	\$0.06
Pest Control	\$3,000	\$16	\$0.02
Property Taxes [2]	\$106,000	\$552	\$0.70
Professional Management (4%)	\$34,459	\$179	\$0.23
Repairs / Maintenance / Make Ready	\$50,000	\$260	\$0.33
Salaries & Related	\$100,000	\$521	\$0.66
Telephone	\$3,000	\$16	\$0.02
Utilities: Cable	\$20,000	\$104	\$0.13
Utilities: Electric	\$40,000	\$208	\$0.26
Utilities: Gas	\$30,000	\$156	\$0.20
Utilities: Water	\$45,000	\$234	\$0.30
Capital Reserves	\$47,500	\$247	\$0.31
Total Expenses	\$541,659	\$2,821	\$3.57
Net Operating Income	\$319,823	\$1,666	\$2.11

NOTES:
 [1] Based on current market rents at the property as listed in the Unit Mix & Rental Rates section.
 [2] Buyer's are advised to consult with a tax consultant regarding tax liability upon acquisition.

OFFERING OVERVIEW

Offering Price	\$ 4,416,000
Price / Unit	\$ 23,000
Price / Sq. Ft.	\$ 29.09
Proforma GIM	4.72
Proforma EGIM	5.13
Proforma Cap Rate	7.24%
Offering Memorandum	A Full Offering Memorandum Is Available Upon Execution Of The Confidentiality Agreement
Terms	All Cash Sale • Buyer To Secure New Financing
Offer Bid Deadline	No Deadline Set • Offers Will Be Evaluated On An Individual Basis
Property Tours	No Property Tour Dates Set • Property Tours Will Be Scheduled Through Kennedy Wilson Texas Multifamily Group & Conducted On An Individual Basis

The Abilene Apartment Portfolio has undergone a capital improvement program during the past 18 months of approximately \$200,000.

ABILENE APARTMENT PORTFOLIO • ABILENE, TEXAS

The Abilene Apartment Portfolio is currently managed with a central leasing office located at the Briarwood Apartments.

TIMING IS PERFECT FOR THIS SHORT OR LONG TERM INVESTMENT OPPORTUNITY...

- According to the Texas Workforce Commission, the Abilene MSA has **expanded by over 1,500** jobs since June 2004 for an annual **growth rate of 2.4%**. This growth rate has mirrored that of the Austin market over the same time period and is significantly higher than the larger markets of Dallas, Ft. Worth, San Antonio and Houston.
- The Abilene MSA currently has an **employment base of 64,700 jobs**.
- The **current unemployment rate for Abilene is 4.4%**, currently the 4th lowest in the state and well below that of the state average 5.4% and the national average of 5.2%.
- As residential housing prices continue to rise throughout the state, **affordable rental housing continues to hold a high demand**.
- **Over the past 12 months, no conventional housing units were added to the Abilene market** as the city is well under the radar screen of developers.
- **Interest rates continue to remain at historically low levels** allowing investors the ability to lock in favorable financing before rates increase.
- The **Abilene Apartment Portfolio represents an opportunity to purchase value added investments** in a strong and stable rental market.

exclusively presented by

JEFF ROGERS
 Senior Marketing Director
 512.483.9457 | direct

CHRIS STUTZMAN
 Marketing Director
 512.483.9497 | direct

KENNEDY WILSON
TEXAS MULTIFAMILY GROUP

5929 Balcones Drive
 Suite 100
 Austin, TX 78731
 512.451.5555 | telephone
 512.459.9617 | facsimile
 kennedywilson.com
 texasmultifamily.com

All interested parties are encouraged to review the full Offering Memorandum which is available upon request. To receive the Offering Memorandum, Kennedy Wilson / Texas Multifamily Group must receive the completed **Confidentiality Agreement** which may be obtained from the following web site:

www.texasmultifamily.com

Contact:

JEFF ROGERS
 jrogers@kennedywilson.com
 512.483.9457

CHRIS STUTZMAN
 cstutzman@kennedywilson.com
 512.483.9497

© KENNEDY WILSON TEXAS MULTIFAMILY GROUP

KENNEDY WILSON REPRESENTS THE SELLER ON ANY TRANSACTION TO PURCHASE THE ABILENE APARTMENT PORTFOLIO. The information contained herein was obtained from sources believed to be reliable; however, Kennedy Wilson ("Broker" or "Kennedy Wilson Brokerage Services") makes no guarantees, warranties or representations as to the accuracy thereof. The presentation of this property is submitted subject to errors, omissions, change in price, prior sales or lease, or withdrawal without prior notice. Broker further has not made and shall not make any warranty or representation as to the condition of this property nor the presence of any hazardous substances or any environmental or other conditions that may affect the value or suitability of this property including any proforma income or expenses to be derived from this property. Interested parties are encouraged to retain legal and technical consultants to advise them of any and all aspects of this property.

CONFIDENTIALITY AGREEMENT

ABILENE APARTMENT PORTFOLIO

Briarwood Apartments • 3201 North 3rd Street
Colonial Apartments • 1701 North 3rd Street
Elm Crest Apartments • 690 North Pioneer Drive
Landmark Apartments • 2083 North 2nd Street
Ridgecrest Apartments • 302 North Mockingbird Lane
Spanish Arms Apartments • 1717 North 6th Street
Abilene, Texas

RETURN VIA FACSIMILE TO: (512) 459-9617
ATTN: JEFF ROGERS / CHRIS STUTZMAN

The undersigned Principal and Broker understand(s) that Kennedy Wilson has been retained as the exclusive agent of IRRAWADDY LLC & OSHEA TRUST (Owner") in connection with the possible sale of the above referenced properties (the "Properties").

In its capacity as exclusive agent for Owner, Kennedy Wilson has available an Offering Memorandum concerning the Properties solely for Principal's use in determining whether it has an interest in acquiring the Properties. To induce Kennedy Wilson to provide said Offering Memorandum, Principal (and, if applicable) Broker represent(s) and agree(s) as follows:

1. The Offering Memorandum and any other written materials or oral communications relating to the Properties (collectively, the "Offering Memorandum") that are or may in the future be furnished to Principal or Broker by Kennedy Wilson or Owner, or any agent or representative thereof, will be kept strictly confidential as set forth herein.
2. The Offering Memorandum was prepared by Kennedy Wilson. Principal and Broker understand that the Offering Memorandum contains selected information pertaining to the Properties and does not purport to contain all of the information that a prospective purchaser may desire. Principal and Broker agree to conduct their own independent investigation of the Properties and to verify the accuracy and completeness of any and all information obtained from the Offering Memorandum. Principal and Broker hereby acknowledge that neither Owner nor Kennedy Wilson, nor any person acting on their behalf, have made any representations or warranties, expressed or implied, as to the accuracy or completeness of the Offering Memorandum or its contents, or the suitability of the information contained therein for any purpose. The Offering Memorandum is subject to, among other things, correction of errors and omissions, addition or deletion of terms, change of price or terms, withdrawal from market without notice, and prior sale.
3. Principal and Broker agree that they will not contact the tenants or property management staff of the Properties in connection with Principal's review of the Properties and/or Offering Memorandum. Any and all questions relating to the Properties or the Offering Memorandum and its contents shall be directed solely to Kennedy Wilson, as exclusive agent and listing broker for Owner.
4. If applicable, Broker represents that it is duly licensed as a licensed real estate agent or broker in the State of Texas. In the event that a sale of the Properties to Principal is consummated during the term of Kennedy Wilson's listing agreement, and Principal has been both initially procured and is still working through Broker at the time of such sale, Broker shall be paid, and agrees to accept as its full and only compensation for services rendered in connection with a sale of the Properties to Principal, a commission equal to one and one half percent (1.5%) of the net sales price of the Properties. Such commission shall be paid by Kennedy Wilson, only at the closing of the Properties, as and when received from Owner, and Broker agrees that in no event will Kennedy Wilson have any liability to Broker for payment of the foregoing commission or any part thereof unless, until and to the extent Kennedy Wilson has received such commission from Owner. Notwithstanding the above, parties acting in the capacity of both a Principal and a Broker will not be recognized as a cooperating Broker and will not be eligible to receive the commission as discussed above. All parties involved in any transaction must be either registered as a Principal or a Broker.

ACKNOWLEDGED & AGREED TO:

PRINCIPAL

BROKER

SIGNATURE

DATE

SIGNATURE

DATE

NAME

NAME

COMPANY

COMPANY

ADDRESS

ADDRESS

CITY

CITY

STATE

STATE

ZIP CODE

ZIP CODE

TELEPHONE

TELEPHONE

FACSIMILE

FACSIMILE

EMAIL ADDRESS

EMAIL ADDRESS

