

MULTIFAMILY PORTFOLIO | ABILENE, TX

THE PROPERTY

The Abilene portfolio consists of 392 conventional units at two communities – Indian Run Apartments and Stonegate Apartments – built between 1981 and 1983. Amenities include fitness center, pool, sport court, carports and community laundry facilities. Rents average \$625 for one-bedroom units and \$750 for two-bedroom units.

THE DEAL HIGHLIGHTS¹

- Metonic identified the portfolio as an attractive investment due to proximity to high-traffic retail, major employment centers such as Dyess Air Force Base, and main transportation routes.
- Metonic saw the opportunity to renovate the exterior of the properties and increase rental and ancillary income, through capital expenditures of \$4,690 per unit.
- Physical occupancy has improved from under 93% prior to acquisition to an average of 95% since 2012.
- Other income has increased 13% since acquisition due to the implementation of resident utility billings, carport revenue and administrative fees.

THE RESULTS¹

- The estimated market value of the portfolio valuation increased 50% since the 2011 purchase.
- Annual operating distributions averaged \$365,000 from 2014-2016 for a 9% cash yield.
- Metonic completed supplemental financing in 2016 to distribute an additional \$2.25 million, resulting in approximately 96% of contributed equity returned in 5 1/2 years.
- Leveraged IRR based upon 12/31/16 liquidation was 28% over 5 1/2 years of ownership.

¹As of December 2016.

CASE STUDY



Acquisition Information

Acquisition Date	April 2011
Purchase Price	\$16,398,000
Price Per Unit	\$41,800
Equity Deployed	\$4,138,000
Estimated Market Value ¹	\$24,725,000

Returns¹

Estimated Leveraged IRR	28%
68-month Capital Return	96%
Average Annual Cash Yield	17%