



Evergreen Apartments

OFFERING MEMORANDUM

Presented by the Go Getters Multifamily at KW Commercial

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OFFERS & TOURS

OFFERING PROCEDURES

- Letter of Intent
- Resume and/or Business Letter Indicating Assets Owned
- Transaction References
- Banking References
- Source of Equity for Acquisition

PROPERTY TOURS

Prospective investors are encouraged to visit the subject property prior to submitting an offer. Please DO NOT contact the on-site management or staff without prior approval. All property showings are by appointment only. Please contact us for more details.

SALES CONDITIONS

Interested prospective investors should be aware that the owner of the property is selling the property in as-is, where-is condition with all faults, if any, and without representations or warranties of any kind of nature, expressed or implied, written or oral.

COMMUNICATIONS

All communications, inquiries and requests, including property tours, should be addressed to the listing agent.



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EXECUTIVE SUMMARY



Property

The Evergreen apartment complex features 43 two bed one bath apartment units in the heart of North Amarillo. The property is currently being operated as an all bills paid complex allowing investors to immediately add value by billing the tenants back for their utilities. Current ownership has injected over \$250,000 in CAPEX into the property in the prior 4 years leaving new investors the opportunity to quickly begin their value add program.

Location

The Evergreen apartments are conveniently located off of I-40 in North Amarillo. The apartments are expertly positioned within 2 miles of a one million square-foot Amazon fulfillment center , and within 10 minutes of Tyson Foods. This strategic location offers residents convenient access to and from multiple top employers in Amarillo.

Highlights

Within 10 minutes of a top 3 employer in Amarillo

Going in price per unit is 50% less than 5 year average sold price per unit in Amarillo

PROPERTY INFORMATION

Property Name	Evergreen Apartments
Address	Address: 820 Evergreen St Amarillo TX
Market	Amarillo
No. Of Units	43
Year Built	1957
Average Unit Size	611
Net Rentable Area	26,273

TAX INFORMATION **Potter Randall CAD**

Parcel ID	R214013-R214021
Current Assessed Value (2023)	\$907,521
Improvement Allocation	90%
Tax Rate	2.10%

UTILITIES

Electricity	Owner
Water and Sewer	Owner
Trash	Owner
Gas	Owner

CONSTRUCTION

Framing	Wood
Exterior	Brick
Roof	Pitched Composition
HVAC	Individual HVAC
Electricity	Individually Metered
Type of Wiring	Assumed Copper
Hot Water	Individual electric



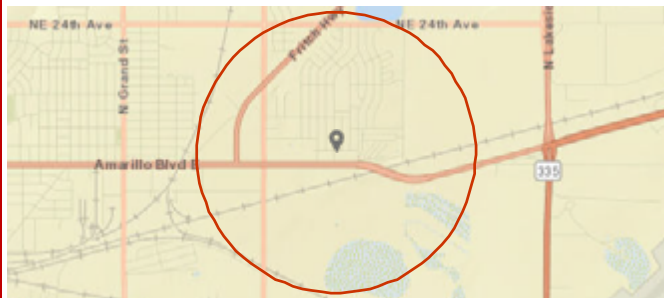


2 BED / 1 BATH UNIT

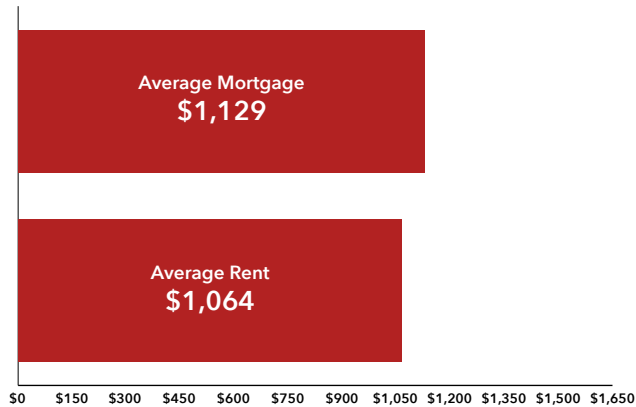


PROPERTY DEMOGRAPHICS

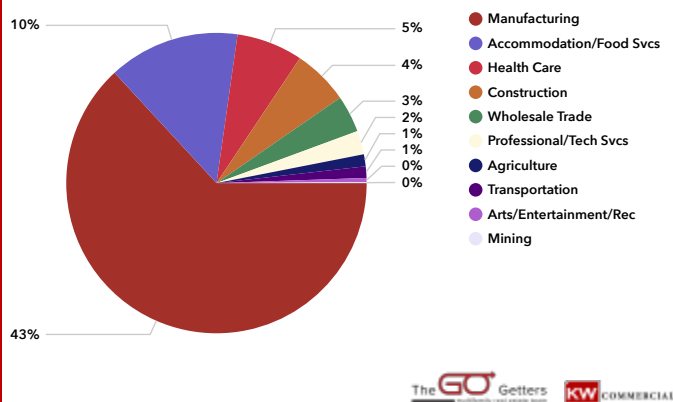
1 MILE



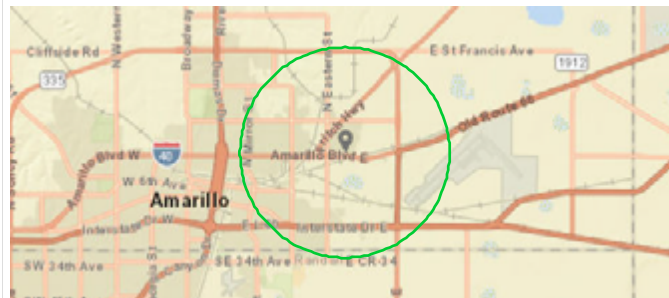
Housing Costs



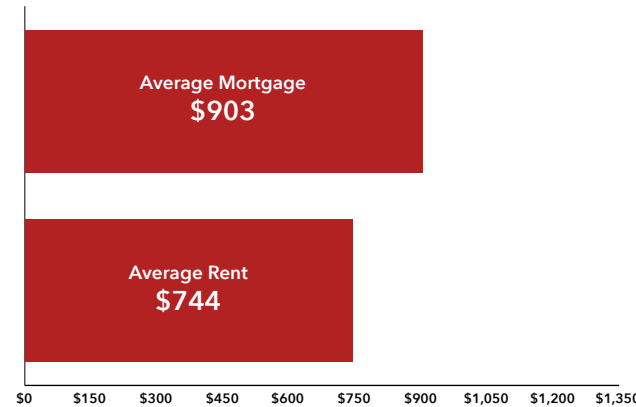
Employment Breakdown



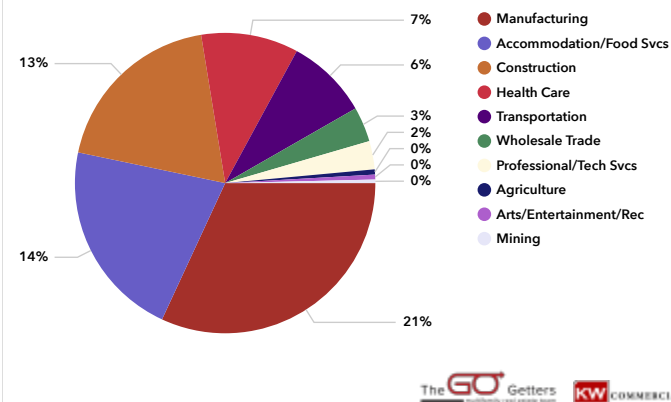
3 MILES



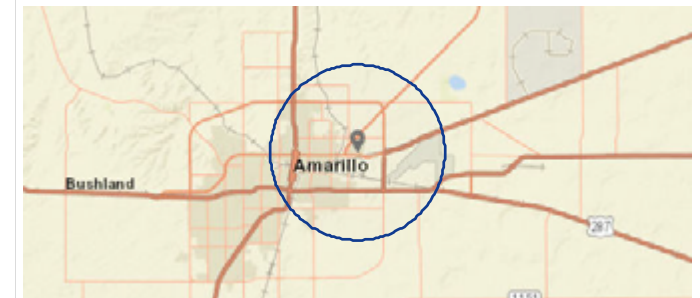
Housing Costs



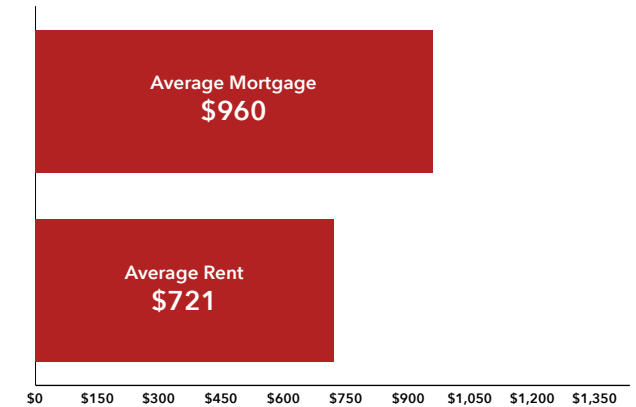
Employment Breakdown



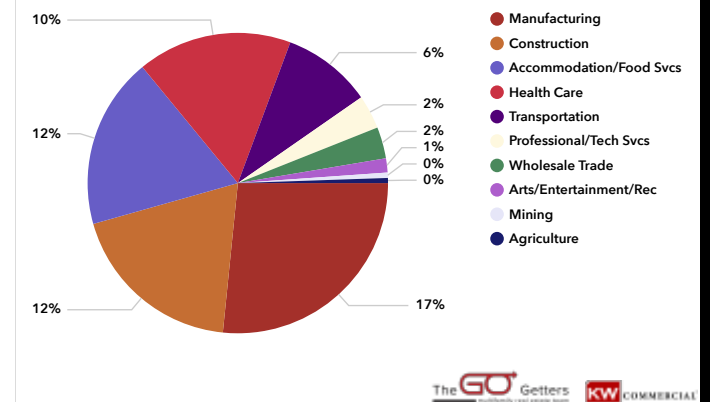
5 MILES



Housing Costs



Employment Breakdown



AMARILLO HIGHLIGHTS



Spend any time in Amarillo and you will quickly begin to feel the legacy that built this strong community. What was once a small “tent city” on the front edge of the frontier is now a thriving city where the grit and determination that pioneered this region still lives.

Amarillo was built on the shoulders of men and women committed to farming, ranching and oil exploration. Generations of families have dedicated themselves to growing this city on the high plains into what it is today. Today, they are not just a community focused on agriculture and oil, but on technology, education and emerging industries.



Source: Amarillo Economic Development Corporation

AMARILLO EMPLOYERS

TYSON FRESH MEATS PLANT

Employs
4,400



Tyson Fresh Meats Plant offers all hourly production employees with medical, dental, and vision insurance as well as **401K** and stock option plans.



CNS PANTEX

Employs
3,950

CNS Pantex employs a wide variety of specialists at this nuclear stockpile facility.



BAPTIST ST. ANTHONY'S HEALTHCARE SYSTEMS

Employs
3,200



This award-winning private hospital system employs more than **450** physicians.

NORTHWEST TEXAS HEALTHCARE SYSTEM

Employs
1,860



Each year, this public hospital sees approximately:

20,000	245,000+	50,000
patient admissions	outpatient visits	emergency visits

AFFILIATED FOODS

Employs
1,205



Affiliated Foods is a leading wholesale distribution cooperative that supplies grocery stores and restaurants in half a dozen states.



TEXAS DEPARTMENT OF CRIMINAL JUSTICE

Employs
1,050



Clements Unit

Of the 1,050 employees at the Clements Unit, there are:

- **808** security employees
- **123** non-security employees
- **9** education employees
- **110** medical and mental health employees

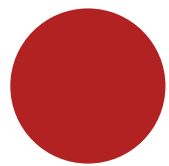
AMARILLO
ECONOMIC
DEVELOPMENT



www.amarilloedc.com

CITY DEMOGRAPHICS

KEY FACTS



202,914

Population



36.4

Median Age



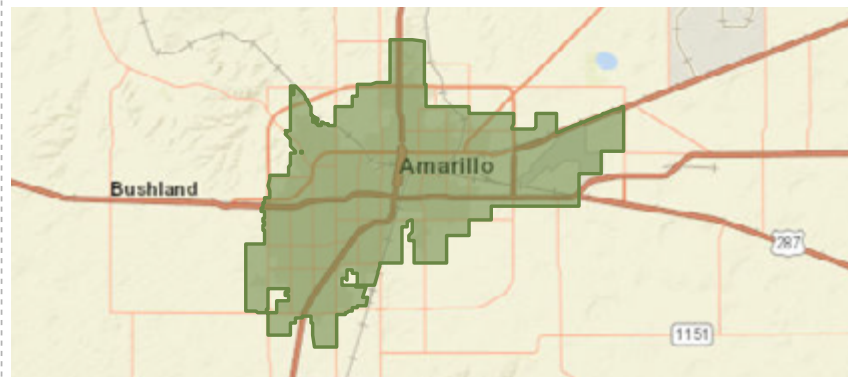
2.7%

2023
Unemployment
Rate

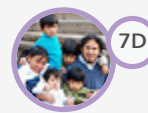


0.18%

2023-2028
Population: Annual
Growth Rate



Tapestry segments



7D

Forging Opportunity

9,207 households

11.5%

of Households



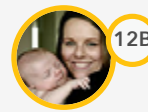
5D

Rustbelt Traditions

7,762 households

9.7%

of Households



12B

Traditional Living

6,680 households

8.3%

of Households



HOUSING STATS



\$176,336

Median Home Value



\$57,213

Median Household
Income



2.50

Household Size



37.5%

% Rentals



10.3%

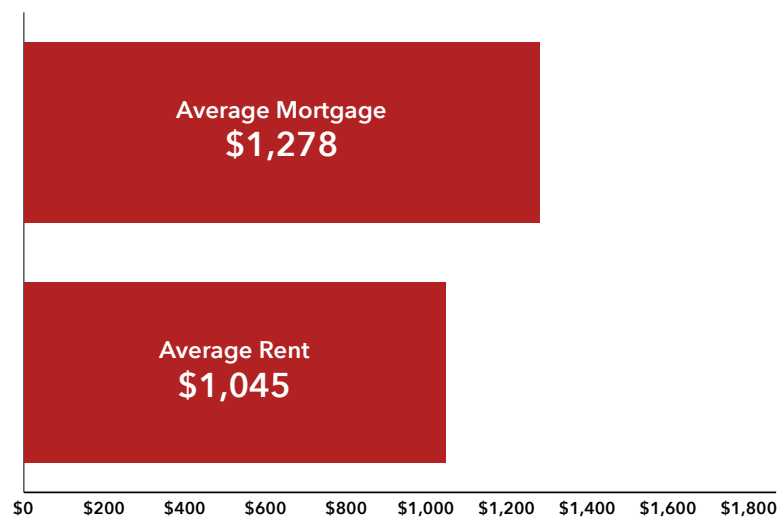
Vacant Housing Units



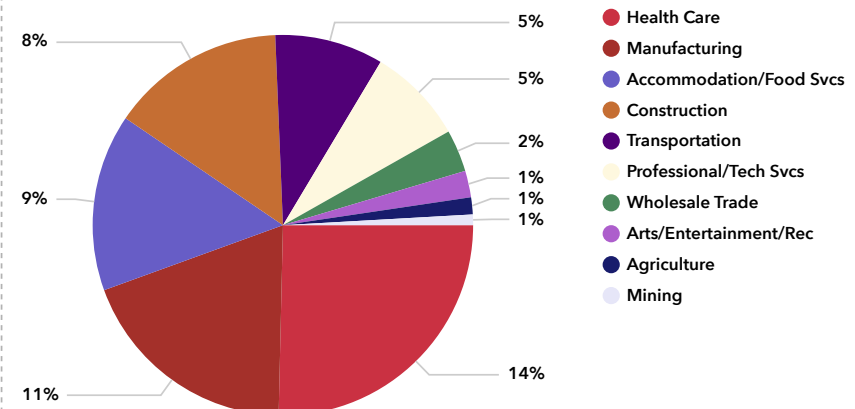
30,064

Rental Unit Demand

Housing Costs



Employment Breakdown



The **GO** Getters
multifamily real estate team

KW COMMERCIAL

Source: This infographic contains data provided by Esri (2023, 2028).

RETAIL MAP



UNIT MIX

Evergreen Apartments

Address: 820 Evergreen St Amarillo TX

Property Overview	
Units	43
Occupancy	44%
Year Built	1957
Utilities	All Bills paid

Unit Type	No. of Units	Avg. SF	Asking Rent	Rent/SF	Proforma Rent	Rent/SF
2 bed 1 bath	43	611	\$818	\$1.34	\$900	\$1.47
Totals / Avg.	43	611	\$818	\$1.34	\$900	\$1.47

GPR	\$422,088	\$464,400
GPR / Month	\$35,174	\$38,700



HISTORIC AND PROFORMA FINANCIALS

						Month: Dec	T12	T6	T3	Proforma
Rental Income										
Gross Potential Rent	\$ 170,669	\$ 190,644	\$ 200,301	\$ 464,400	Projected					
Vacancy	\$ -	\$ -	\$ -	\$ (46,440)	10.0%					
Loss to Lease	\$ -	\$ -	\$ -	\$ (9,288)	2.0%					
Concessions	\$ -	\$ -	\$ -	\$ (4,644)	1.0%					
Net Rental Income	\$ 170,669	\$ 190,644	\$ 200,301	\$ 404,028		Economic Occupancy	100%	100%	100%	87%
Utility Reimbursement	\$ 6,918	\$ 6,100	\$ 5,757	\$ 15,199	75.0%	water, sewer, and trash bill	current %: 35%			
App Fees	\$ -	\$ -	\$ -	\$ 753	\$35	per unit * 50% turnover				
Admin Fees	\$ -	\$ -	\$ -	\$ 4,300	\$200	per unit * 50% turnover				
Total Other Income	\$ 6,918	\$ 6,100	\$ 5,757	\$ 20,251		Other Income	4%	3%	3%	4%
Gross Operating Income	\$ 177,587	\$ 196,744	\$ 206,058	\$ 424,279		Gross Income	104%	103%	103%	91%
Operating Expenses										
Admin	\$ 4,487	\$ 4,478	\$ 631	\$ 10,750	\$250	per unit				
Advertising	\$ 573	\$ 1,145	\$ -	\$ 2,150	\$50	per unit				
Pest control	\$ 1,575	\$ 1,516	\$ 1,754	\$ 1,575	T12					
Repairs & Maintenance	\$ 87,168	\$ 88,428	\$ 84,410	\$ 27,950	\$650	per unit				
Management Fee	\$ 20,372	\$ 25,645	\$ 34,077	\$ 33,942	8%					
Property Taxes	\$ 19,600	\$ 19,600	\$ 19,600	\$ 26,801	85%	sales price * tax rate				
Insurance	\$ 35,000	\$ 35,000	\$ 35,000	\$ 36,550	\$850	per unit				
Landscaping	\$ 8,029	\$ 9,758	\$ 11,116	\$ 8,029	T12					
Gas	\$ 18,607	\$ 12,566	\$ 19,987	\$ 19,166	T12 + 3%					
Electric	\$ 14,860	\$ 17,165	\$ 14,119	\$ 15,305	T12 + 3%					
Water & Sewer	\$ 19,675	\$ 23,502	\$ 25,757	\$ 20,265	T12 + 3%					
Replacement Reserves	\$ -	\$ -	\$ -	\$ 12,900	\$300	per unit				
Total Operating Expenses	\$ 229,946	\$ 238,802	\$ 246,451	\$ 215,383		Expenses	135%	125%	123%	46%
Net Operating Income (NOI)	\$ (52,358)	\$ (42,058)	\$ (40,393)	\$ 208,896		NOI	-31%	-22%	-20%	45%

Financing

Bridge - Recourse

Loan to Value:	80%
Loan Amount:	\$1,310,000
Interest Rate:	11.00%
Amortization:	360
Term:	5
Years of Interest Only:	5
Loan Starting Year:	1
Amortized Monthly Payment:	\$12,475
Annual Debt Service:	\$149,705

FINANCIALS BREAKDOWN

Income	Dec T12	% of GPR	Per Unit		Stabilized	% of GPR	Per Unit
Gross Potential Rent	\$170,669	100.0%	\$3,969		\$464,400	100.0%	\$10,800
Vacancy	\$0	0.0%	\$0		-\$46,440	-10.0%	-\$1,080
Loss to Lease	\$0	0.0%	\$0		-\$9,288	-2.0%	-\$216
Concessions	\$0	0.0%	\$0		-\$4,644	-1.0%	-\$108
Net Rental Income	\$170,669	100.0%	\$3,969		\$404,028	87.0%	\$9,396
Utility Reimbursement	\$6,918	4.1%	\$161		\$15,199	3.3%	\$353
App Fees	\$0	0.0%	\$0		\$753	0.2%	\$18
Admin Fees	\$0	0.0%	\$0		\$4,300	0.9%	\$100
Total Other Income	\$6,918	4.1%	\$161		\$20,251	4.4%	\$471
Total Operating Income	\$177,587	104.1%	\$4,130		\$424,279	91.4%	\$9,867
Expenses	Dec T12	% of GPR	Per Unit		Stabilized	% of GPR	Per Unit
Admin	\$4,487	2.6%	\$104		\$10,750	2.3%	\$250
Advertising	\$573	0.3%	\$13		\$2,150	0.5%	\$50
Pest control	\$1,575	0.9%	\$37		\$1,575	0.3%	\$37
Repairs & Maintenance	\$87,168	51.1%	\$2,027		\$27,950	6.0%	\$650
Management Fee	\$20,372	11.9%	\$474		\$33,942	7.3%	\$789
Property Taxes	\$19,600	11.5%	\$456		\$26,801	5.8%	\$623
Insurance	\$35,000	20.5%	\$814		\$36,550	7.9%	\$850
Landscaping	\$8,029	4.7%	\$187		\$8,029	1.7%	\$187
Gas	\$18,607	10.9%	\$433		\$19,166	4.1%	\$446
Electric	\$14,860	8.7%	\$346		\$15,305	3.3%	\$356
Water & Sewer	\$19,675	11.5%	\$458		\$20,265	4.4%	\$471
Replacement Reserves	\$0	0.0%	\$0		\$12,900	2.8%	\$300
Total Expenses	\$229,946	134.7%	\$5,348		\$215,383	46.4%	\$5,009
Net Operating Income	-\$52,358	-30.7%	-\$1,218		\$208,896	45.0%	\$4,858

CASH FLOW

Income	Dec T12	Year 1	Year 2	Year 3	Year 4	Year 5
Gross Potential Rent	\$ 170,669	\$ 464,400	\$ 480,654	\$ 497,477	\$ 514,889	\$ 532,910
Vacancy	\$ -	\$ (46,440)	\$ (48,065)	\$ (49,748)	\$ (51,489)	\$ (53,291)
Loss to Lease	\$ -	\$ (9,288)	\$ (9,613)	\$ (9,950)	\$ (10,298)	\$ (10,658)
Concessions	\$ -	\$ (4,644)	\$ (4,807)	\$ (4,975)	\$ (5,149)	\$ (5,329)
Net Rental Income	\$ 170,669	\$ 404,028	\$ 418,169	\$ 432,805	\$ 447,953	\$ 463,631
Utility Reimbursement	\$ 6,918	\$ 15,199	\$ 15,655	\$ 16,124	\$ 16,608	\$ 17,106
App Fees	\$ -	\$ 753	\$ 779	\$ 806	\$ 834	\$ 864
Admin Fees	\$ -	\$ 4,300	\$ 4,451	\$ 4,606	\$ 4,767	\$ 4,934
Total Other Income	\$ 6,918	\$ 20,251	\$ 20,884	\$ 21,537	\$ 22,210	\$ 22,904
Total Operating Income	\$ 177,587	\$ 424,279	\$ 439,053	\$ 454,341	\$ 470,163	\$ 486,535
Expenses	Dec T12					
Admin	\$ 4,487	\$ 10,750	\$ 11,073	\$ 11,405	\$ 11,747	\$ 12,099
Advertising	\$ 573	\$ 2,150	\$ 2,215	\$ 2,281	\$ 2,349	\$ 2,420
Pest control	\$ 1,575	\$ 1,575	\$ 1,622	\$ 1,671	\$ 1,721	\$ 1,773
Payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Repairs & Maintenance	\$ 87,168	\$ 27,950	\$ 28,789	\$ 29,652	\$ 30,542	\$ 31,458
Management Fee	\$ 20,372	\$ 33,942	\$ 35,124	\$ 36,347	\$ 37,613	\$ 38,923
Property Taxes	\$ 19,600	\$ 26,801	\$ 27,605	\$ 28,433	\$ 29,286	\$ 30,164
Insurance	\$ 35,000	\$ 36,550	\$ 37,647	\$ 38,776	\$ 39,939	\$ 41,137
Landscaping	\$ 8,029	\$ 8,029	\$ 8,270	\$ 8,518	\$ 8,773	\$ 9,037
Gas	\$ 18,607	\$ 19,166	\$ 19,741	\$ 20,333	\$ 20,943	\$ 21,571
Electric	\$ 14,860	\$ 15,305	\$ 15,765	\$ 16,238	\$ 16,725	\$ 17,226
Water & Sewer	\$ 19,675	\$ 20,265	\$ 20,873	\$ 21,499	\$ 22,144	\$ 22,808
Replacement Reserves	\$ -	\$ 12,900	\$ 13,287	\$ 13,686	\$ 14,096	\$ 14,519
Total Expenses	\$ 229,946	\$ 215,383	\$ 222,008	\$ 228,837	\$ 235,878	\$ 243,136
Net Operating Income	\$ (52,358)	\$ 208,896	\$ 217,045	\$ 225,504	\$ 234,285	\$ 243,400

	Current	Year 1	Year 2	Year 3	Year 4	Year 5
Net Operating Income	\$ (52,358)	\$ 208,896	\$ 217,045	\$ 225,504	\$ 234,285	\$ 243,400
Cash Flows						
Annual Debt Service	\$	144,100	\$ 144,100	\$ 144,100	\$ 144,100	\$ 144,100
Cash Flow	\$	64,796	\$ 72,945	\$ 81,404	\$ 90,185	\$ 99,300
Sales Analysis						
Projected Sales Price	\$	2,581,653	\$ 2,652,775	\$ 2,726,030	\$ 2,801,482	\$ 2,879,202
Cost of Sale	\$	180,716	\$ 185,694	\$ 190,822	\$ 196,104	\$ 201,544
Loan Balance	\$	1,310,000	\$ 1,310,000	\$ 1,310,000	\$ 1,310,000	\$ 1,310,000
Refunded Reserves and Prepaids	\$	117,351	\$ 117,351	\$ 117,351	\$ 117,351	\$ 117,351
Sales Proceeds	\$	1,208,288	\$ 1,274,432	\$ 1,342,558	\$ 1,412,729	\$ 1,485,008
Return Metrics						
DSCR	-0.36	1.45	1.51	1.56	1.63	1.69
Debt Yield		15.9%	16.6%	17.2%	17.9%	18.6%
Cap Rate / Yield on Cost	-3.5%	13.9%	14.5%	15.0%	15.6%	16.2%
Total Return		19.8%	22.2%	24.8%	27.5%	30.3%
Return on Equity		130.2%	15.2%	15.2%	15.3%	15.3%
Equity Multiple		3.9	4.3	4.8	5.3	5.8
Cash on Cash Return		19.8%	22.2%	24.8%	27.5%	30.3%
Average Cash on Cash Return		19.8%	21.0%	22.3%	23.6%	24.9%
Unlevered IRR		67.8%	37.9%	29.2%	25.2%	22.8%
Levered IRR		288.2%	112.8%	74.7%	58.6%	49.8%
Assumptions:						
Rental and Other Income Growth		3.5%	3.5%	3.5%	3.5%	3.5%
Utility Reimbursement %		75.0%	75.0%	75.0%	75.0%	75.0%
Vacancy		10.0%	10.0%	10.0%	10.0%	10.0%
Loss to Lease		2.0%	2.0%	2.0%	2.0%	2.0%
Concessions		1.0%	1.0%	1.0%	1.0%	1.0%
Bad Debt		0.0%	0.0%	0.0%	0.0%	0.0%
Expense Growth		3.0%	3.0%	3.0%	3.0%	3.0%
Property Tax Assessment %		85.0%	85.0%	85.0%	85.0%	85.0%
Exit Cap Rate		7.5%	7.6%	7.7%	7.8%	7.9%
Cost of Sale		7.0%	7.0%	7.0%	7.0%	7.0%

**Projected Sales Price based on following year's tax adjusted NOI*

** This proforma is based on multiple assumptions and is not a guarantee of future performance. Actual results may vary.*

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All data and assumptions regarding financial performance, including that used for financial modeling purposes, may differ from actual data or performance. Any estimates of market rents and/or projected rents that may be provided to a party do not necessarily mean that rents can be established at or increased to that level. Parties must evaluate any applicable contractual and governmental limitations as well as market conditions, vacancy factors and other issues in order to determine rents from or for the property. Legal questions should be discussed by the party with an attorney. Tax questions should be discussed by the party with a certified public accountant or tax attorney. Title questions should be discussed by the party with a title officer or attorney. Questions regarding the condition of the property and whether the property complies with applicable governmental requirements should be discussed by the party with appropriate engineers, architects, contractors, other consultants and governmental agencies. All properties and services are marketed by Lubbock in compliance with all applicable fair housing and equal opportunity laws.

