



Offering Memorandum

BUFORD RENTAL PORTFOLIO

96 UNITS | 48 DUPLEXES | 100% LEASED



BULL REALTY

ASSET & OCCUPANCY SOLUTIONS

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Exclusively listed by Bull Realty, Inc.

DISCLAIMER & LIMITING CONDITIONS

BUFORD RENTAL PORTFOLIO
96 UNITS | 48 DUPLEXES | 6.62% CAP RATE

Bull Realty has been retained as the exclusive listing broker to arrange the sale of the Subject Property.

This Offering Memorandum contains selected information pertaining to the Property but does not purport to be all-inclusive or to contain all of the information that a prospective purchaser may require. All financial projections are provided for general reference purposes only and are based upon assumptions relating to the general economy, competition and other factors, which therefore, are subject to material change or variation. Prospective purchasers may not rely upon the financial projections, as they are illustrative only. An opportunity to inspect the Property will be made available to qualified prospective purchasers.

In this Offering Memorandum, certain documents, including financial information, are described in summary form and do not purport to be complete or accurate descriptions of the full agreements involved, nor do they constitute a legal analysis of such documents. Interested parties are expected to review independently all documents.

This Offering Memorandum is subject to prior placement, errors, omissions, changes or withdrawal without notice and does not constitute a recommendation, endorsement or advice as to the value of the Property by Bull Realty Inc. or the current Owner/Seller. Each prospective purchaser is to rely upon its own investigation, evaluation and judgment as to the advisability of purchasing the Property described herein.

Owner/Seller expressly reserve the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property and/or to terminate discussions with any party at any time with or without notice. Owner/Seller shall have no legal commitment or obligation to any purchaser reviewing this Offering Memorandum or making an offer to purchase the Property unless a written agreement for the purchase of the Property has been fully executed, delivered and approved by the Owner/Seller and any conditions to the purchaser's obligations therein have been satisfied or waived. The Seller reserves the right to move forward with an acceptable offer prior to the call for offers deadline.

This Offering Memorandum may be used only by parties approved by the Owner. The Property is privately offered, and by accepting this Offering Memorandum, the party in possession hereof agrees (i) to return it if requested and (ii) that this Offering Memorandum and its contents are of a confidential nature and will be held and treated in the strictest confidence. No portion of this Offering Memorandum may be copied or otherwise reproduced or disclosed to anyone without the prior written authorization of Bull Realty, Inc. or Owner/Seller. The terms and conditions set forth above apply to this Offering Memorandum in its entirety and all documents, disks and other information provided in connection therewith.

EXECUTIVE SUMMARY

BUFORD RENTAL PORTFOLIO
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BUFORD RENTAL PORTFOLIO

Opportunity to acquire a portfolio of 96 units in 48 fully leased duplexes with stable income and strong upside in Buford, GA.

- 100% Occupied
- 6.5% existing cap rate
- Rents significantly under market
- Strong rental demand
- All units are 2 to 3 bedrooms and 2 baths
- Separate meters and systems
- Tenants take care of the grounds
- Popular area in north Atlanta
- Demand in this rental range projected to increase
- Strong forecasted job growth in the area
- Atlanta gained 4th-most residents in nation last year, with 90,650 additional people

PRICE | \$8,640,000

Big upside exists in the ability to significantly increase NOI by raising rents closer to market rates. All of the units are 2 or 3 bedrooms and 2 or 2.5 baths. 2018 rents average \$668.63-month, which is less than half the average rents around metro Atlanta. If you only raise rents \$200-unit, rents would still be only average \$868.63 month. The annual increase in revenues would be \$385,000.

What is the average rent in Atlanta, GA?

Rent prices in Atlanta have seen strong growth over the past few years. Before we dig deeper into trends and specific neighborhoods, here are some high level stats:


- Atlanta is currently tied with Portland and Philadelphia as the 17th most expensive rental market in the U.S. The city ranks ahead of Minneapolis and Dallas for rent prices.
- A 1-bedroom rental apartment currently averages \$1,350 per month, while 2-bedrooms average \$1,700.
- One-bedroom prices are 18% higher than the national average of \$1,143.

* SOURCE: <https://www.zumper.com/blog/2017/03/average-rent-prices-in-atlanta/>

The average rent for an apartment in Atlanta is \$1,250, a 5% increase compared to the previous year, when the average rent was \$1,187.

Studio apartments in Atlanta rent for \$1,069 a month, while 1-bedroom apartments ask on average \$1,169 a month; the average rent for a 2-bedroom apartment is \$1,319.

🔄 Last updated Dec 2017

	All rentals	Studio	1 Bed	2 Beds	3 Beds
 Average Rent	\$1,250	\$1,069	\$1,169	\$1,319	\$1,438
 Y-o-Y Change	5%	-1%	3%	5%	3%
 Average Apartment Size	983 sq. ft.	576 sq. ft.	774 sq. ft.	1,109 sq. ft.	1,412 sq. ft.




* SOURCE: <https://www.rentcafe.com/average-rent-market-trends/us/ga/atlanta/>

BUFORD RENTAL MARKET TRENDS

The average rent for an apartment in Buford is \$1,172, a 6% increase compared to the previous year, when the average rent was \$1,101. Studio apartments in Buford rent for \$744 a month, while 1-bedroom apartments ask on average \$1,033 a month; the average rent for a 2-bedroom apartment is \$1,263.

The average size for a Buford apartment is 1,043 square feet, but this number varies greatly depending on apartment type. A studio averages 300 sq. ft., while a one-bedroom apartment offers a more generous square footage: 790. 2-bedroom apartments in Buford have an average size of 1,160 sq. ft.

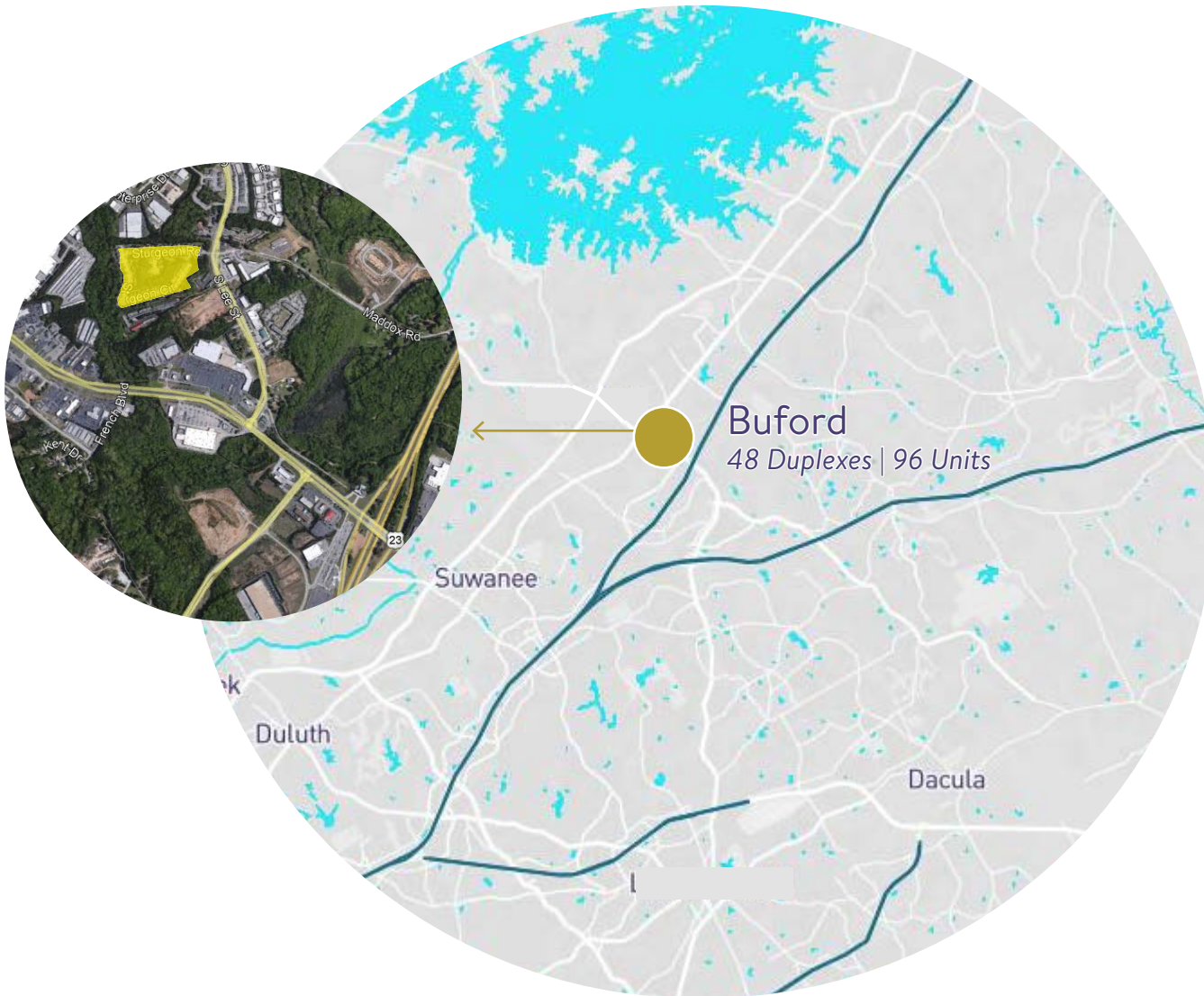
🔄 Last updated Dec 2017

	All rentals	Studio	1 Bed	2 Beds	3 Beds
 Average Rent	\$1,172	\$744	\$1,033	\$1,263	\$1,557
 Y-o-Y Change	6%	19%	3%	3%	13%
 Average Apartment Size	1,043 sq. ft.	300 sq. ft.	790 sq. ft.	1,160 sq. ft.	1,416 sq. ft.

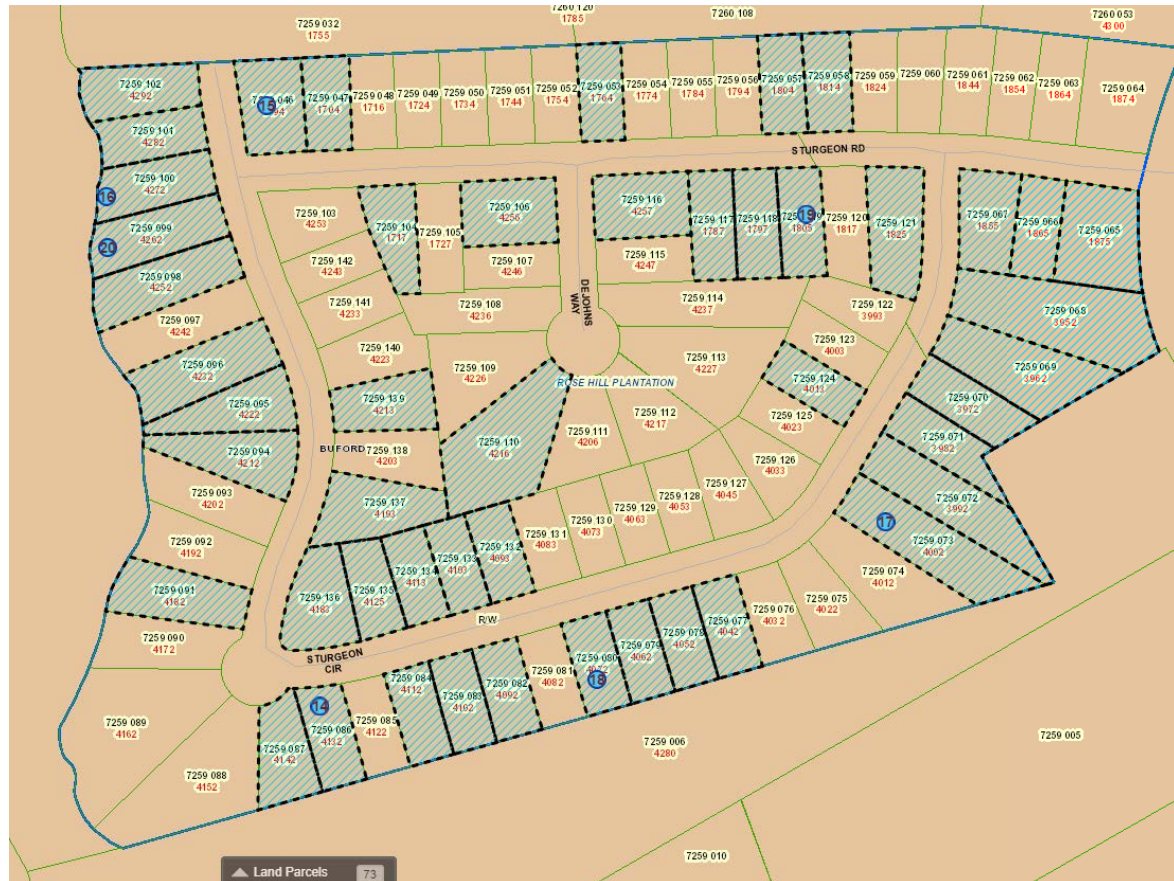
* SOURCE: <https://www.rentcafe.com/average-rent-market-trends/us/ga/buford/>

AERIAL MAPS

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BUFORD DUPLEXES - 48 Duplexes | 96 Units



Forty-eight of the duplexes are in the desirable bedroom community of Buford, GA. The Buford properties are in the Rosehill Plantation Subdivision, concentrated on three streets close together. Buford has a modern, exceptional public school system and a low unemployment rate attracting new families to the area. These factors have created tremendous demand for rental homes. Tenants are responsible for lawn maintenance, and there is an obvious pride of ownership displayed throughout the community.

Rents for 2 bedroom units in the area range from \$1,000 to \$1,300. Rents of the Buford duplexes in this portfolio average \$655.73.

PHOTOS

BUFORD

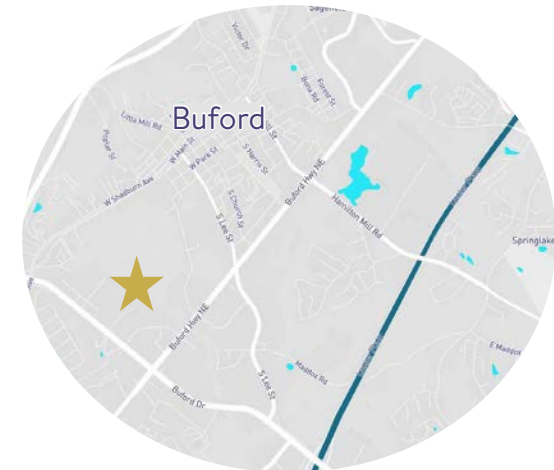
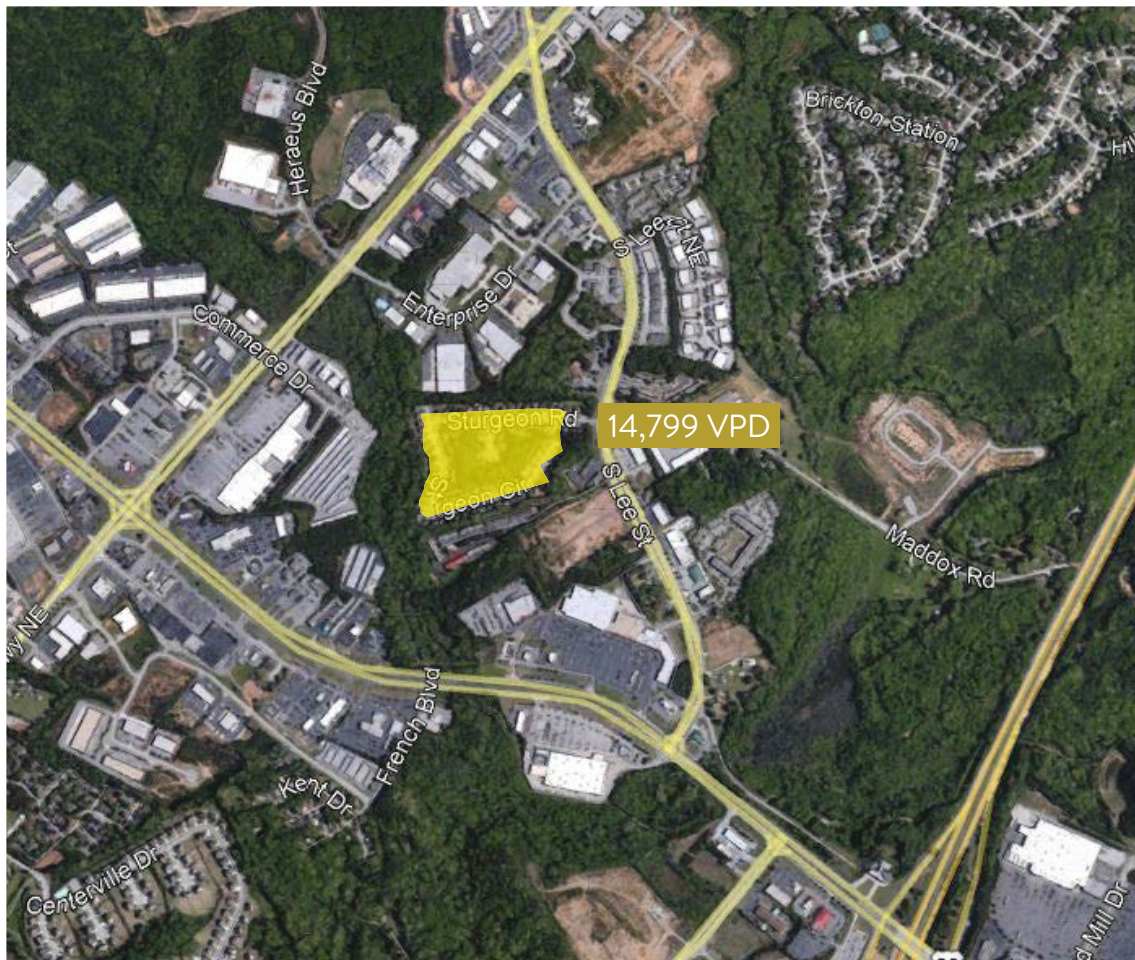
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DEMOGRAPHICS

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BUFORD DEMOGRAPHICS



2017 DEMOGRAPHICS (esri) **1 MILE**

Population	3,547
Households	1,393
Average Household Income	\$60,996

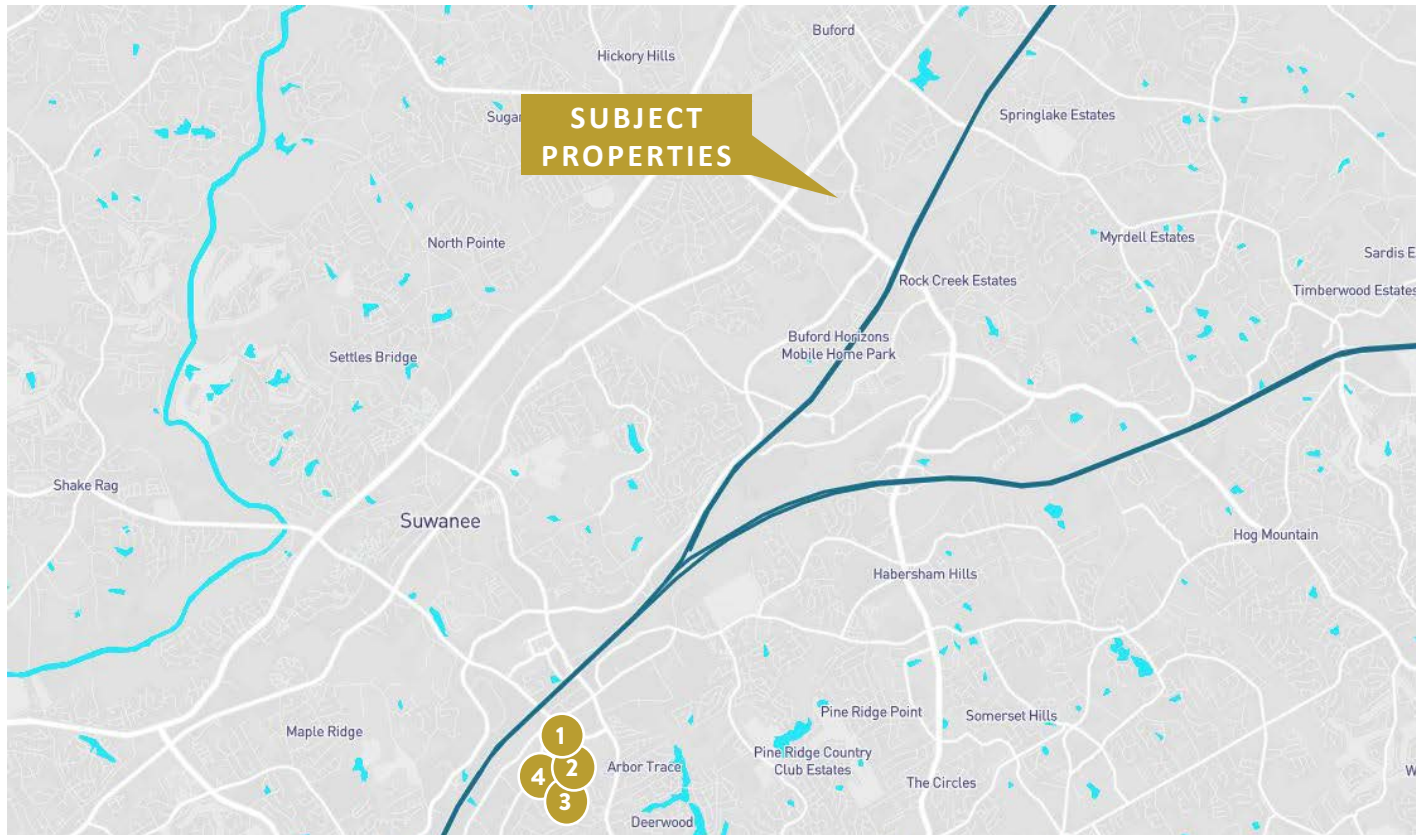
3 MILES

Population	47,190
Households	15,571
Average Household Income	\$84,928

5 MILES

Population	118,365
Households	39,945
Average Household Income	\$93,151

BUFORD SOLD COMPS



MAP #	STREET ADDRESS	CITY	SIZE	SOLD DATE	SALE PRICE	PRICE/SF
Subject Properties	Buford Duplexes	Buford	2,366 SF (average size)	-	\$180,000	\$79.37
1	677 Jackson Park Ln	Suwanee	2,178 SF	10/3/2017	\$211,200	\$96.97
2	609 Telfair Ct	Suwanee	2,178 SF	7/7/2017	\$195,000	\$89.53
3	638 Telfair Ct	Suwanee	2,112 SF	11/22/2016	\$178,000	\$84.28
4	690 Jackson View Rd	Suwanee	2,572 SF	1/26/2017	\$180,000	\$69.98

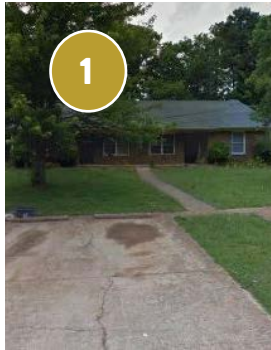
BUFORD SOLD COMPS

SUBJECT PROP - Buford Duplexes



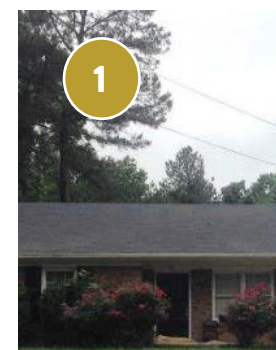
Average Size: 2,366 SF
Closing Date: -
Price: \$180,000
Price/SF: \$79.37

SOLD COMP - 677 Jackson Park Ln



Property Size: 2,178 SF
Closing Date: 10/3/2017
Sold Price: \$211,200
Price/SF: \$96.97

SOLD COMP - 609 Telfair Ct



Property Size: 2,178 SF
Closing Date: 7/7/2017
Sold Price: \$195,000
Price/SF: \$89.53

SOLD COMP - 638 Telfair Ct



Property Size: 2,112 SF
Closing Date: 11/22/2016
Sold Price: \$178,000
Price/SF: \$84.28

SOLD COMP - 690 Jackson View Rd



Property Size: 2,572 SF
Closing Date: 1/26/2017
Sold Price: \$180,000
Price/SF: \$69.98

ABOUT THE AREA

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BUFORD

Buford is a city in Gwinnett and Hall counties just 25 miles north of Atlanta and on the southern shores of Lake Lanier. The City of Buford has come a long way since its beginnings in 1872 as a depot on the railway line between Atlanta and Charlotte, North Carolina. Major domestic and international companies have established operations in Buford. The Buford Dam has become a major source of power for the state and Lake Lanier Islands is recognized as a premier recreational development in the Southeast.

- Well-developed infrastructures enhance the efficiency of business operations and favorably impact bottom-line profits
- Abundant, highly motivated, production-oriented labor force
- City-owned water, sewer, gas and electric systems provide the lowest utility rates in the area
- Excellent, locally-controlled primary and secondary education system with a large number of major universities and technical schools within a 50-mile radius
- Scenic beauty and small town friendliness that create a nurturing environment for employees
- Major industrial and commercial acreage available on major transportation arteries priced to attract new business

Mall of Georgia is an enclosed super-regional shopping mall located in the Mill Creek District of Gwinnett County, Georgia, near the city of Buford, 30 miles northeast of Atlanta. Built in 1999, it is currently the largest shopping mall in the state of Georgia, consisting of more than two hundred stores on three levels. The mall's anchor stores include Belk, Dillard's, JCPenney, Macy's, and Nordstrom; other major stores include Barnes & Noble, Dick's Sporting Goods and Havertys. Also, located in the Mall of Georgia Crossing is Nordstrom Rack, T.J. Maxx, and Target. Also featured in the mall is a large village section, comprising lifestyle tenants and restaurants in an outdoor setting, as well as a 500-seat amphitheater.





MICHAEL BULL

Michael Bull, CCIM is a commercial real estate advisor, broker, trainer, writer, author, speaker and radio show host. He has closed over 5 billion dollars of sale and lease transactions over his 30 year career.

Mr. Bull's articles have been published nationwide including in the National Real Estate Investor, France Media Publications, Atlanta Journal Constitution, Atlanta Business Chronicle, Multi-Housing News, Shopping Center Business and Nation's Restaurant News.

Michael is executive producer and host of America's Commercial Real Estate Show. The popular weekly one hour show began broadcasting in 2010 and today is heard by millions of people around the country. Respected industry analysts and leading market participants join Michael to share market intelligence, forecasts and success strategies. The show is available on radio stations and on any device, anytime on iTunes, YouTube and the show website, www.CREshow.com.

Michael also produces a video series answering a new commercial real estate related question each business day. Videos are available at www.CREshow.com/Answers.

Mr. Bull founded Bull Realty in 1998 with two primary missions: to provide a company of brokers known for integrity, and to provide the best disposition marketing in the nation. Michael and his brokers provide expert advice and capital markets expertise related to office, retail, industrial, land, apartments, single tenant net lease investment properties, healthcare real estate, senior housing and other specialties.

Michael's involvement with professional organizations include CCIM Member, National Association of REALTORS, the International Council of Shopping Centers, the Real Estate Brokerage Managers Council, Atlanta Leaders Group, Real Estate Group of Atlanta, the Georgia Bankers Association, the Atlanta Press Club, the Atlanta Chamber of Commerce, the Georgia Real Estate Educators Association and the National Association of Real Estate Editors.

Michael lives in the Chastain Park area of Atlanta and enjoys spending time with his family, music, basketball and performance boating.

Bull Realty is a commercial real estate sales, leasing and advisory firm headquartered in Atlanta and licensed in nine Southeast states. The firm was founded in 1998 with two primary missions: to provide a company of advisors known for their integrity and to provide the best disposition marketing in the nation. Client services include disposition, acquisition, project leasing, tenant representation, asset management and consulting services. Advisors focus on specific property types including office, retail, industrial, multifamily, land, healthcare, senior housing, self-storage, automotive, hospitality and single tenant net lease properties.

The firm produces America's Commercial Real Estate Show, a national video show and podcast enjoyed by millions of people around the country. Industry analysts, leading market participants and the firm's founder Michael Bull share market intelligence, forecasts and success strategies. The show has aired every week since 2010 on iTunes, YouTube and www.CREshow.com. The firm also produces Atlanta's Commercial Real Estate Show available on AtICREshow.com



DARRELL CHAPMAN

While Darrell is experienced in all types of commercial properties throughout the Southeast, his primary focus has been industrial investment properties and mixed use developments in the North Atlanta market. As a long time resident of the suburbs of North Atlanta, he has extensive knowledge of the area and the business trends in these markets. Marketing more than \$300 million in commercial property since 2007, Darrell has become a recognized go-to broker in North Georgia.

Darrell helped establish Bull Realty's first satellite office on GA 400 north of Atlanta. He is a member of the Atlanta Commercial Board of Realtors, Atlanta Commercial Board of Realtors Million Dollar Club, the National Association of REALTORS, the Dawson County Chamber of Commerce and the Hall County Chamber of Commerce. Darrell lives in Dawsonville with his wife of 21 years, his young daughter and a menagerie of pets. Favorite hobbies include boating, water skiing and off-roading.

Some notable closings include a 9 acre site in Gwinnett County for the Georgia Regional Transportation Authority for \$3.2 million, a retail park with 20 tenants next to the North Georgia Premium Outlet Mall which sold for \$4.5 million, a commercial development park in north Georgia on GA Hwy 400 for \$4.9 MM, a medical office park for \$2.4 million, a \$1.4 million dollar land sale to RaceTrac Petroleum, and several retail sales including C Stores, Car Washes, and Shopping Centers. Prior to commercial real estate sales, Darrell enjoyed a successful career in the boating industry, and worked as a manager, consultant, and trainer for many of the leading dealerships in the Southeast. Darrell eventually operated his own successful dealership in Forsyth County and honed his reputation for honesty and integrity selling boats to customers all over the world.

Darrell attended the University of Tennessee studying electrical engineering.

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CONFIDENTIALITY AGREEMENT

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This Confidentiality Agreement ("Agreement") is made and agreed to for the benefit of the undersigned party ("Receiving Party"), the owner of the subject property (the "Seller") and undersigned broker Bull Realty Incorporated ("Broker").

Now therefore in consideration of the privileges granted to Receiving Party with respect to receiving certain confidential information, and other good and valuable consideration, the Receiving Party hereby agrees to the following:

I. Confidential Information:

Receiving Party will receive confidential information regarding property referred to as Atlanta MSA Rental Portfolio. Prospect agrees to not disclose to any person that the property may be available for sale or lease, or that discussions or negotiations are taking place concerning the property, nor any terms, conditions, or other facts with respect to the property, including but not limited to tenant information, lease rates, lease expirations, income and expenses, and any such possible purchase, including the status thereof. The term "person" used in this agreement shall be interpreted broadly and shall include, without limitation, any corporation, company, partnership or individual other than parties to which Broker approves in writing. Receiving Party may share information with directors, officers, employees, agents, affiliates, counsel, lending sources, accountants or representatives of Receiving Party that Receiving Party notifies of the requirements of this Agreement. Re-

ceiving Party agrees to not contact the property owner, the management, the tenants, the lender, the vendors, the insurers, the employees or the customers of any business at the site.

II. Acting as a Principal:

Receiving Party hereby warrants that it is acting as a principal only, and not as a broker, regarding this contemplated transaction. Receiving Party acknowledges that Broker is working an agency capacity as representing the Seller only in this transaction and is the only Broker involved in this potential transaction. Receiving Party agrees to not be involved in any arrangement to lease or purchase the property, in whole or in part, as a lender, partner, buyer of the note, buy in foreclosure, buy from bankruptcy court, or in any other manner acquire an investment in, joint venture or control of the property, unless Bull Realty, Incorporated is paid a commission at closing as per separate agreement with Seller.

This agreement will expire two years from the date hereof.

III. Governing Law

This Agreement shall be governed and construed in accordance with the laws of the State of Georgia.

Accepted and agreed to this _____ day _____ of _____, 20____.

Receiving Party _____

Signature _____

Printed Name _____

Title _____

Company Name _____

Address _____

Email _____

Phone _____

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