



400 North Townhomes

400 N Cedar Ave
Levelland, TX 79336



64 Units // Occupancy 92%
Year Built/Year Renovated 1974/2019

OFFERING PROCEDURES

Prospective investors expected to make an offer are invited to submit:

- Letter of Intent
- Resume and/or Business Letter indicating recent or current assets owned or purchased
- Transaction References
- Banking References
- Source of Equity for Acquisition

INTEREST OFFERED

One hundred percent fee simple interest in 400 North Townhomes, located in Levelland, TX

TERMS

400 North Apartments is being sold on an all-cash basis.

PROPERTY TOUR

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

SALES CONDITIONS

Interested prospective investors should be aware that the owner of the property is selling the property 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.

OFFER DUE DATE

The call for offers is to be determined.

COMMUNICATIONS

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



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PROPERTY ANALYSIS





Executive Summary

400 North Townhomes is a 64-unit multifamily community well-located in Levelland, TX.

The property was built in 1974 and fully renovated in 2019. Situated on 6 acres, the garden-style property is comprised of (9) two-story buildings of brick masonry and metal siding. One, two and three-bedroom floor plans are offered with amenities such as fully equipped kitchens with granite countertops, dishwashers, and washers and dryers connections.

Residents enjoy the property’s great location within a 3-minute drive or 1.3 miles from South Plains College, less than 2.5 miles from the Mallet Event Center and the Levelland-Oxy Sports Complex, right around the block from Levelland High School, proximity to retail, and only 20 miles to Lubbock, TX.

PROPERTY DETAILS

OFFERING

Sale Price	TBD by Market
Property Address	400 N Cedar Ave Levelland, TX 79336
Number of Units	64
Number of Floors	2
Rentable SF	62,558
Occupancy	92%
# of Buildings	9
Year Built/Year Renovated	1974/2019
Parking	130 Open-Grade Asphalt

TAX INFORMATION

Parcel #	R11918
Tax Rate / \$100	City of Levelland 0.625000 Hockley County 0.596880 South Plains Junior College 0.392703 Levelland ISD 1.276400 High Plains Water District 0.005100 Total Tax Rate: 2.896083
Foundation	Concrete Slab
Construction Materials	Brick, Metal Siding
Roof	Flat/TPO (new)

MECHANICAL

HVAC	Individual
Electricity	Individual
Hot Water	Individual
Electrical Wiring	Copper

LAUNDRY

On-Site Facility	N/A
Coin or Card	N/A
In Unit W/D Hookup	Yes, 2’s and 3’s only

FEES & DEPOSITS

Application Fee	\$50
Security Deposit	\$500
Pet Deposit	\$300 non-refundable
Pet Rent	\$20/Month
Late Fee	Up to \$150

PERSONNEL

Management Company	VIS Properties
Property Manager	1 (salary)
Maintenance Tech	1 (paid hourly)
Housekeeper	N/A
Porter	N/A

UTILITIES

Electric	Individual
Water / Sewer	Metered
Trash	Allocated on top of water/sewer
Cable / Internet	Individual

SCHOOLS

School District	Levelland Independent School District
Elementary	Capitol Elementary
Middle School	Levelland Middle School
High School	Levelland High School

Investment Highlights

GREAT LOCATION

Located less than half a mile from Texas State Highway 114, 400 North Townhomes benefits from proximity to Walmart, United Supermarkets and countless restaurants and boutiques. The property is only about a 5-minute bike ride to South Plains College.

PROXIMITY TO MAJOR ECONOMIC DRIVERS

The property is situated less than 3 miles from Levelland's top economic drivers including Levelland Covenant Hospital, South Plains College, and Levelland ISD, in addition to multiple oil and gas production companies.

DEVELOPMENT OPPORTUNITY

There is a unique opportunity to develop the adjacent acreage into additional apartment units. The acreage and layout set up perfectly for up to 40 additional units and required parking. This strategic move will help achieve greater economies of scale, while also being able to achieve higher rental rates.

VALUE-ADD OPPORTUNITIES

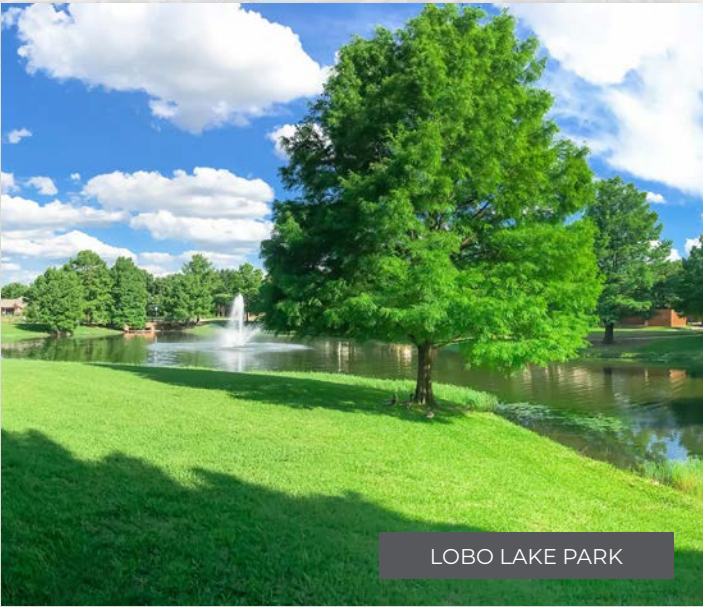
This deal is teed up for a buyer to take advantage of multiple value-add opportunities. A few of which include immediate rental rate increases (little to no capital needed), add pet rent, put in a dog park, W/D rentals per unit needed, development of additional units, increase collections on water, bill back for property wide WIFI & cable, reserved covered parking, etc....

LOW MAINTENANCE PROPERTY DUE TO RECENT CAPITAL IMPROVEMENTS

Current ownership has injected over \$3MM into the property; exterior improvements include a new roof, exterior metal trim and paint, cedar fencing and accents, new signage, HVAC new windows, and landscaping. Interior upgrades include new vinyl plank flooring, refurbished/replaced cabinetry, upgraded appliances, granite countertops, tile tub surround, bathroom vanities and mirrors, etc. *Not all units are the same

OFFERED FREE & CLEAR OF EXISTING DEBT

New ownership has the opportunity to place new debt on the asset with favorable terms and record low interest rates.



Value Creation Strategies

BUILD ADDITIONAL UNITS

There is a unique opportunity to develop the adjacent acreage into additional apartment units. The acreage and layout set up perfectly for up to 40 additional units and parking needed. This strategic move will help achieve greater economies of scale, while also being able to achieve higher rental rates.

RESERVED COVERED PARKING

There is an opportunity to capitalize on the ample parking onsite by adding covered parking in various locations throughout the property. This will bring in additional monthly income without the injection of much capital.

INSTALL A PET PARK & ADD PET RENT

Centrally located in the property there is ample greenspace to install a fenced area with benches and clean-up station for pets to roam around.

IMPLEMENT WASHER & DRYER RENTALS AS NEEDED

All units currently have Washer and Dryer connections. There's an opportunity to increase revenue by renting washer and dryer machines to select units that don't have their own machines.



INCREASE EXISTING RENTS

There is an opportunity to immediately increase rents throughout all unit types. As you will see on pages 28-29, the property is positioned well below market Rent PSF, despite being the nicest property in town.



Apartment Amenities

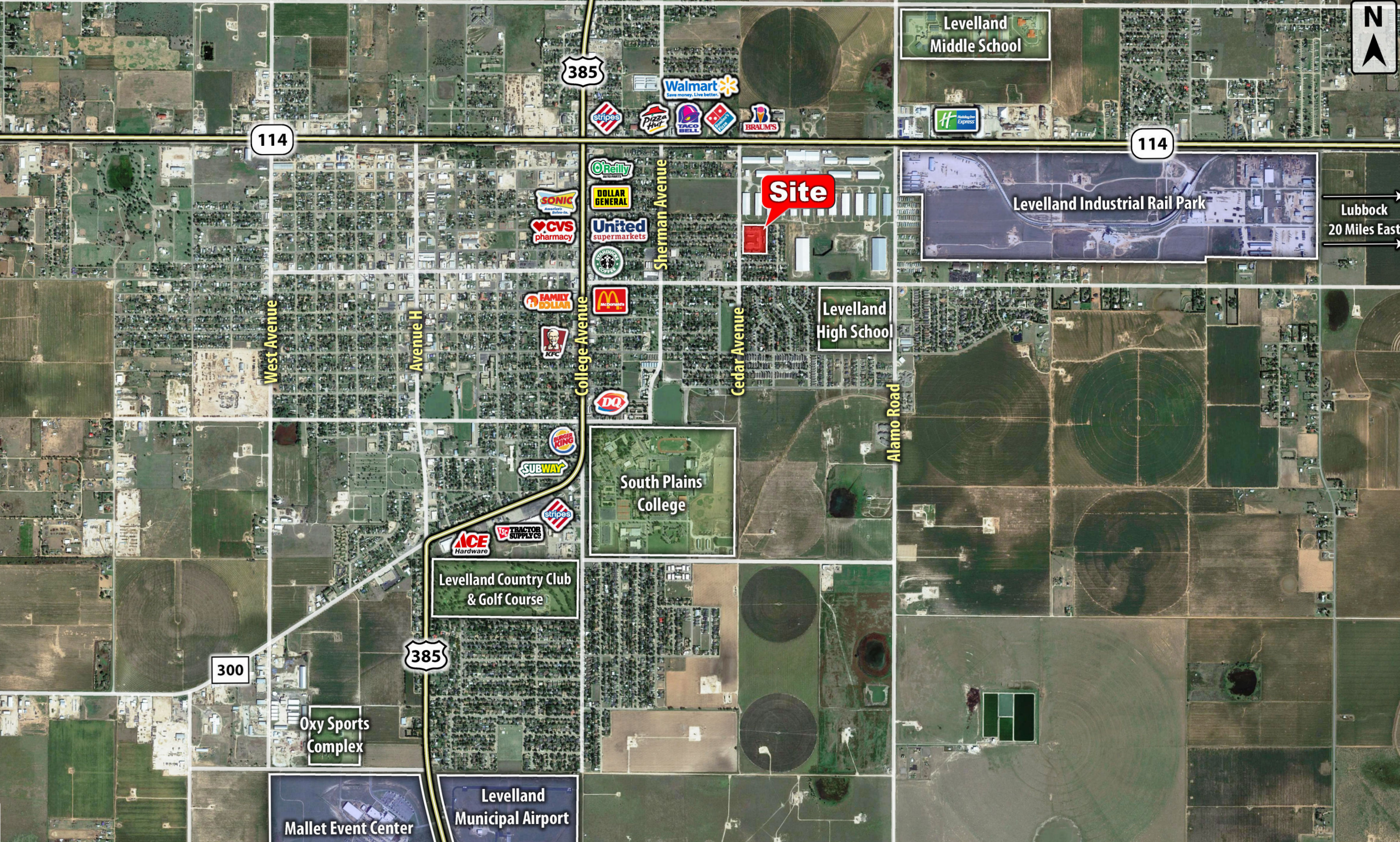
- Renovated Units
- In-Unit Washer & Dryer Hookups
- Dishwasher
- Granite Countertops
- Spacious Kitchen
- Stove Top / Oven
- Refrigerator
- Freezer
- High Speed Internet Access
- Vinyl Flooring
- Tile Flooring
- Spacious Living Room & Bedrooms
- Backyard storage unit (in select units)



Community Amenities

- Open Green Spaces
- Fenced Private Yards
- Ample Parking
- 5 Minute bike ride to South Plains College
- 8 Minute Walk to Cactus Square
- 15 Minute Walk to the Shops at Levelland
- 10 Nearby Parks





FINANCIAL ANALYSIS



UNIT MIX

Residential Units	# Of Units	Scheduled Rent per Unit	Scheduled Rents per Month	Sq. Ft. per Unit	Scheduled Rent per SF	Total SF
1x1	8	\$625	\$5,000	592	\$1.06	4,736
2x1.5	23	\$725	\$16,675	960	\$0.76	22,080
3x1.5	33	\$825	\$27,225	1,122	\$0.74	37,026
Totals / Averages	64	\$764	\$48,900	998	\$0.77	63,842

Occupancy	92%
Year Built/Year Renovated	1974/2019
Schedule Market Rents	\$586,800 at 100% Occupancy



FLOOR PLANS

1 Bedroom



2 Bedroom



1st Floor

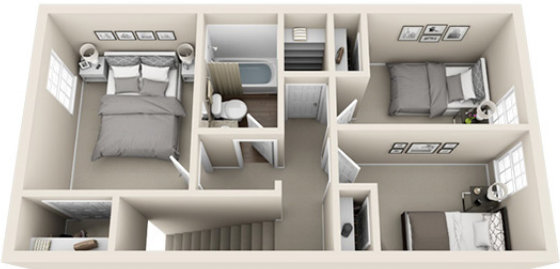


2nd Floor

3 Bedroom



1st Floor



2nd Floor

FINANCIAL ANALYSIS

Income	T-3 Income	2021 Expenses	Annual Per Unit	12 Month Proforma
Scheduled Market Rents			\$9,169	\$586,800
Less: Loss to Old Lease				
Gross Potential Rent			\$9,169	\$586,800
Less: Vacancy Loss (8% Proforma)			\$734	46,944
Less: Delinquent Rent / Credit Loss				
Total Rent Collected	\$501,220		\$8,435	\$539,856
Plus: Other Income + Reimbursements	\$87,588		\$1,369	\$87,588
Total Revenues	\$588,808		\$9,804	\$627,444
Operating Expenses				
Personnel	\$65,373		\$1,124	\$71,910
Admin./Leasing Expenses	\$20,068		\$323	\$20,670
Advertising	\$2,306		\$49	\$3,150
Management			\$441	\$28,235
Maintenance	\$38,262		\$616	\$39,410
Property Taxes	\$38,391		\$618	\$39,543
Prop. Insurance	\$44,043		\$650	\$41,600
Utilities	\$43,766		\$704	\$45,079
Internet/Cable	\$24,964		\$615	\$39,345
Expenses	\$277,173		\$5,140	\$328,942
Capital Reserves			\$300	\$19,200
Total Operating Expenses				
After Capital Reserves	\$277,173		\$5,440	\$348,142
Net Operating Income	\$311,635		\$4,364	\$279,302

NOTES

INCOME

Gross Potential Revenue is based on rental rates shown in the unit mix table. These rents are currently being achieved.

OTHER & RUB INCOME

Other Income is increased to equal T-3 annualized other income

VACANCY

Vacancy is currently 8%, and we kept it at 8% for the proforma.

PAYROLL/PERSONNEL

Payroll expense is based on 2021 actuals + 10%.

ADMINISTRATIVE EXPENSES

Administrative expense is based on 2021 actuals + 3%.

ADVERTISING/PROMOTIONS

Advertising/Promotions expense is based on 2021 actuals + 3%.

PROPERTY MANAGEMENT FEE

Property management fee is projected to be 4.5% of effective gross revenue.

REPAIRS & MAINTENANCE

Repair & Maintenance expense is based on 2021 actuals + 3%.

REAL ESTATE TAXES

Real estate taxes are based on 2021 actuals + 3%.

PROPERTY INSURANCE

Property insurance expense is projected to be \$650 per unit.

UTILITIES

Utilities expense is based on 2021 actuals + 3%.

INTERNET/CABLE

Internet/Cable expense is based on 2022 existing rate.

CAPITAL RESERVES

Capital Reserves are projected to be \$300 per unit annually.

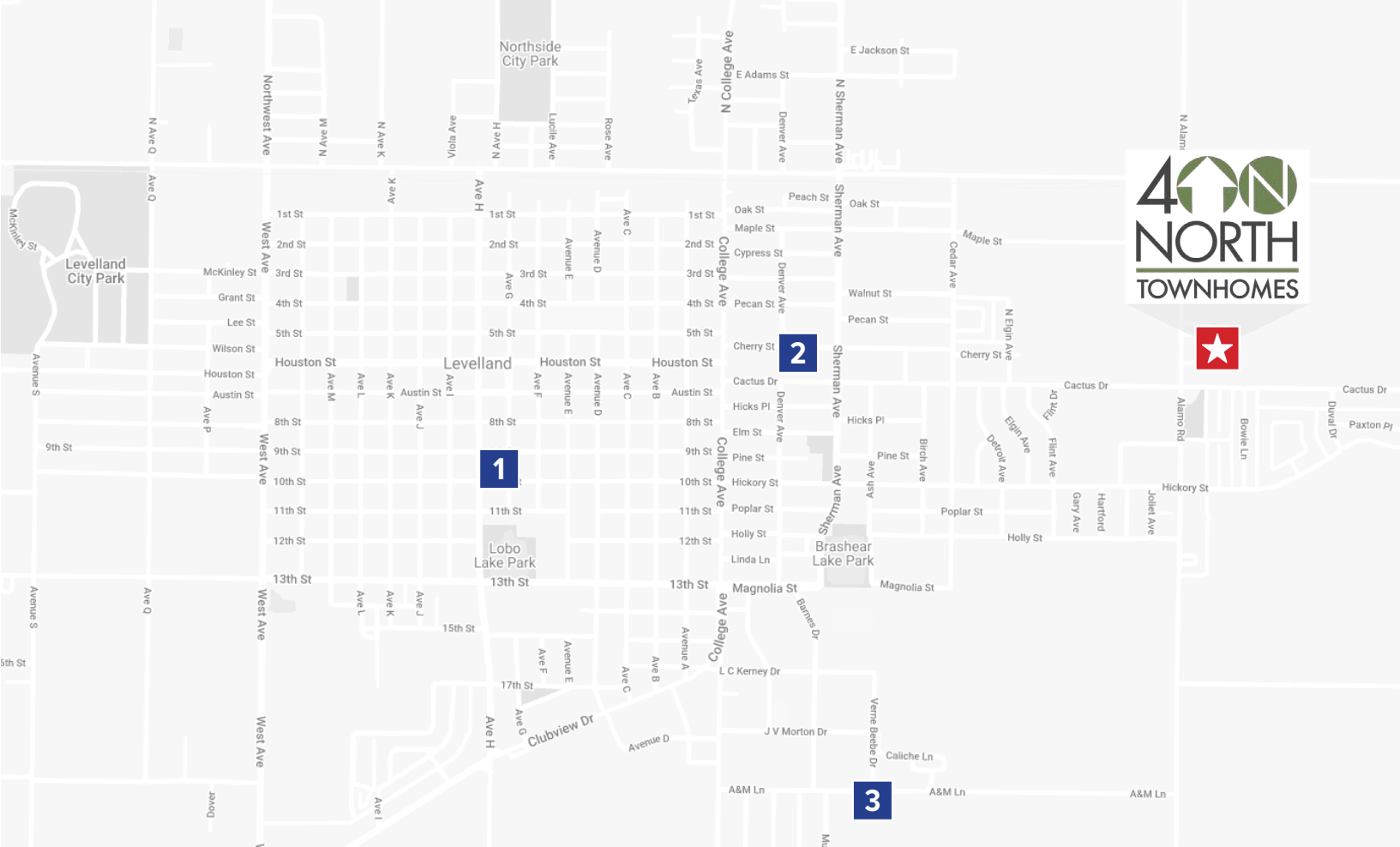
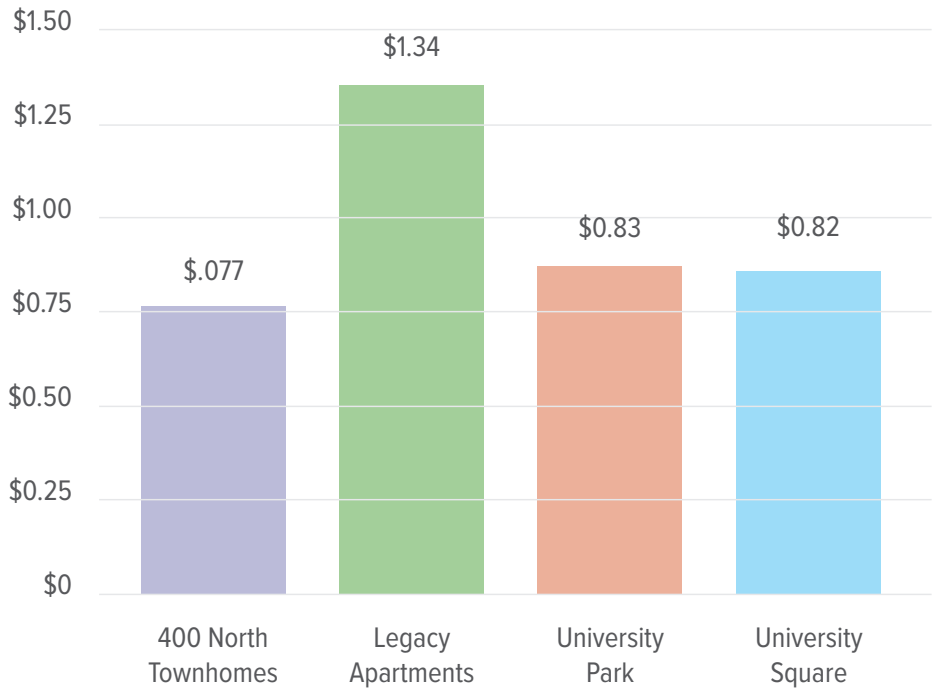
COMPARABLE
RENTALS




COMPARABLE RENTAL SUMMARY

	Property Name	Yr Built	Units	Avg Unit SF	Studio	1 Bed	2 Bed	3 Bed	Rent / SF
S	400 North Townhomes	-	64	1,010	-	\$592	\$960	\$1,122	\$0.77
1	Legacy Apartments	1920	32	400	\$375	\$536	-	-	\$1.34
2	University Park	1979	45	619	-	\$500	\$600	-	\$0.83
3	University Square	-	120	720	-	\$558	\$634	-	\$0.82
	Average		64	2,449		\$563			\$0.93

AVERAGE RENT / SF COMPARISON





400 NORTH TOWNHOMES
400 Cedar Ave // Levelland, TX 79336

1

LEGACY APARTMENTS
808 Ave H // Levelland, TX 79336

2

UNIVERSITY PARK
226 Cherry St // Levelland, TX 79336

3

UNIVERSITY SQUARE
500 A&M Ln // Levelland, TX 79336



THE LOCATION



Location Overview

Levelland is a city in Hockley County, Texas. It is located on the Llano Estacado, 30 miles west of Lubbock. Major industries include cotton farming and petroleum production. It is the home of South Plains College. Levelland is the principal city of the Levelland micropolitan statistical area, which includes all of Hockley County and part of the larger Lubbock-Levelland combined statistical area. Located in the heart of the 5-state region comprised of Texas, New Mexico, Colorado, Kansas, and Oklahoma the community possesses natural resources that drive a thriving economy dominated by agriculture and energy production. Agriculture products include grain, grapes/wine and peanut production among others, but cotton is king. About twenty-five percent of the world's cotton is grown in the Levelland area. First class college education and workforce training are provided through South Plains College a major community partner.



POPULATION

13,848	22,935
LEVELLAND, TX	HOCKLEY COUNTY

LARGEST EMPLOYERS IN CITY & HOW MANY EMPLOYED

550	190	93
SOUTH PLAINS COLLEGE	LEVELLAND INDEPENDENT SCHOOL DISTRICT	COVENANT HOSPITAL LEVELLAND
50+	145	
TITAN TRANSLOADING	UNITED SUPERMARKET	

LOCATION HIGHLIGHTS



DEMOGRAPHICS

15,312
OF RESIDENTS IN A 3 MILE RADIUS

\$48,800
MEDIAN HOUSEHOLD INCOME FOR THE CITY/COUNTY

\$101,606
MEDIAN HOME VALUE FOR THE CITY/COUNTY

6,040/ 11,022
LABOR FORCE FOR THE CITY/COUNTY (LEVELLAND/HOCKLEY COUNTY)

Residents are within close distance to Levelland's top amenities, including South Plains College, the Mallet Event Center and the Levelland-Oxy Sports Complex. Lubbock, TX and its many amenities, is just a short drive from the property.

Neighborhood Amenities

Hair and beauty salons, fitness centers, gas stations, auto repair shops and parts supply stores, insurance services, and medical clinics also nearby.

NEARBY CONVENIENCES



LUBBOCK, TX - 20 MILES AWAY

WEST END SHOPPING CENTER

Located off West Loop 289

- **Major Retailers:** Bed Bath & Beyond, Cabela's, Banana Republic Factory, Gap Factory, Nike Factory, World Market
- **Dining:** Aspen Creek Grill, Bone Daddy's, Chick-fil-A, Panera, P.F. Chang's, Chipotle, Torchy's Tacos, Walk-Ons



DINING OPTIONS

- | | | |
|------------------|------------------|-------------------|
| ▪ Taco Villa | ▪ Bush's Chicken | ▪ KFC |
| ▪ Burger King | ▪ Braum's | ▪ Little Caesar's |
| ▪ Sonic | ▪ Pizza Hut | ▪ Dairy Queen |
| ▪ Bush's Chicken | ▪ Domino's | |



TACO VILLA



BRAUM'S



SONIC



CANYON WEST SHOPPING CENTER

Located off Marsha Sharp Freeway

- **Major Retailers:** Burlington Coat Factory, DSW, Lane Bryant, PetSmart, Ross Dress for Less, Target, Ulta
- **Dining:** Firehouse Subs, Five Guys, Qdoba, Saltgrass Steak House, The Plaza, Twin Peaks



Lifestyle & Entertainment

Levelland has ten outdoor parks offering playgrounds, basketball courts, tennis courts, sand volleyball courts, sports fields, a disc golf course, an amphitheater, pavilions, horseshoe pits, walking tracks, picnic tables, and grills. The city of Lubbock, just a short 30-mile drive from Levelland, offers a variety of entertainment options ranging from Main Event, Adventure Park, Texas Water Rampage, 4ore! Golf, Joyland Amusement Park, the Cactus Theater and much more.



ADVENTURE PARK - LUBBOCK, TX



LOBO LAKE PARK

RECREATION OPTIONS

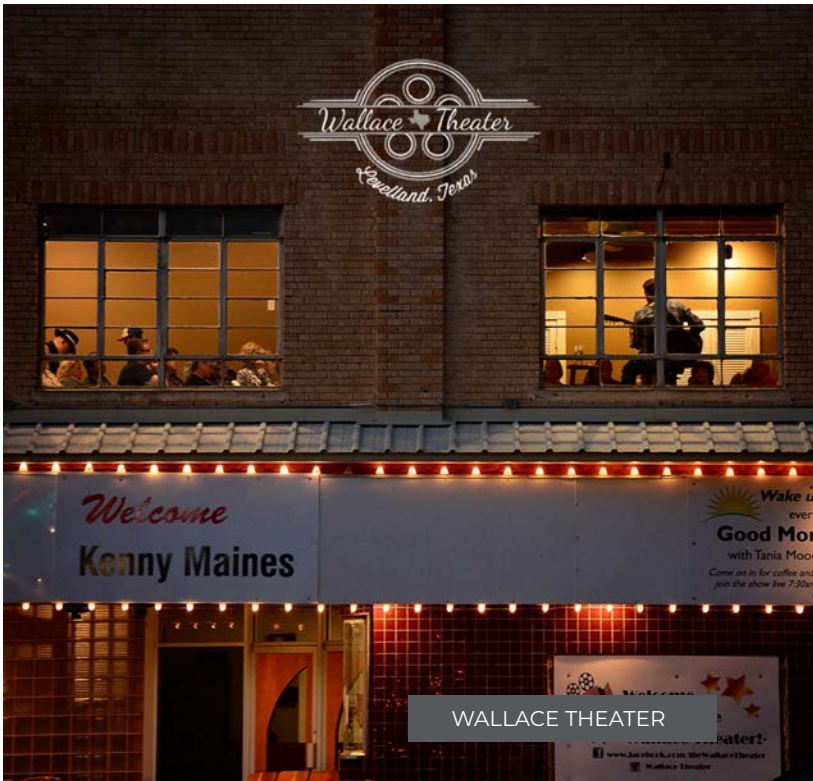
- Mallet Event Center and Arena
- Oxy Sports Complex
- Levelland City Park
- Lobo Lake Park
- Wallace Theater
- Campus Bike Trails



4ORE! GOLF - LUBBOCK, TX



OXY SPORTS COMPLEX



WALLACE THEATER

Higher Education

Levelland Independent School District offers 6 campuses including an Academic Beginnings Center, two Elementary Schools, an Intermediate School, Middle School, and High School. South Plains College Levelland Campus encompasses 42 buildings on a 177-acre campus.



Nearly 5,000 students enroll for classes each fall on the Levelland Campus. Almost all 50 states and a number of foreign countries are represented at the college. SPC students have access to some of the most sophisticated and up-to-date educational and training equipment available.

~ 5,000
OF STUDENTS

OVER 700
OF EMPLOYEES

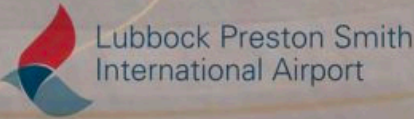
TRANSPORTATION

LUBBOCK PRESTON SMITH INTERNATIONAL AIRPORT

520,181 (2019) # of annual travelers

98 # of destinations

49 # of full-time jobs



HEALTH SYSTEM

COVENANT HOSPITAL LEVELLAND

Located less than a mile and a half from the property, Covenant Hospital Levelland is a full-service acute care facility offering 24-hour Emergency Care and Day Surgery among many other services.

49	77
# OF BEDS	# OF EMPLOYED



Levelland, Texas

Levelland is a city in Hockley County that is located 30 miles west of Lubbock, TX and 265 east of Albuquerque, NM. The city's major industries are agriculture and energy production. Agriculture products include grain, grapes/wine and peanuts among others, but cotton production surpasses them all. The city has a great school system, several city parks, a downtown business district, Levelland Industrial Rail Park and more. The South Plains College provides first class college education and workforce training offering over 100 programs.

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Any party considering or under contract or in escrow for a transaction is urged to confirm all information and to conduct their own inspections including through appropriate third-party independent professionals selected by such party. All financial data should be confirmed by the party including by obtaining and reading applicable documents and reports and consulting appropriate independent professionals. TMG makes no warranties and / or representations regarding the accuracy, completeness, or relevance of any financial data or assumptions. TMG does not service as a financial advisor to any party regarding any proposed transaction. 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 determine 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 TMG in compliance with all applicable fair housing and equal opportunity laws.



Information About Brokerage Services

Texas law requires all real estate license holders to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

11-2-2015

TYPES OF REAL ESTATE LICENSE HOLDERS:

- A **BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- A **SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of *each party* to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
 - that the owner will accept a price less than the written asking price;
 - that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

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Date _____

Regulated by the Texas Real Estate Commission

Information available at www.trec.texas.gov

IABS 1-0



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