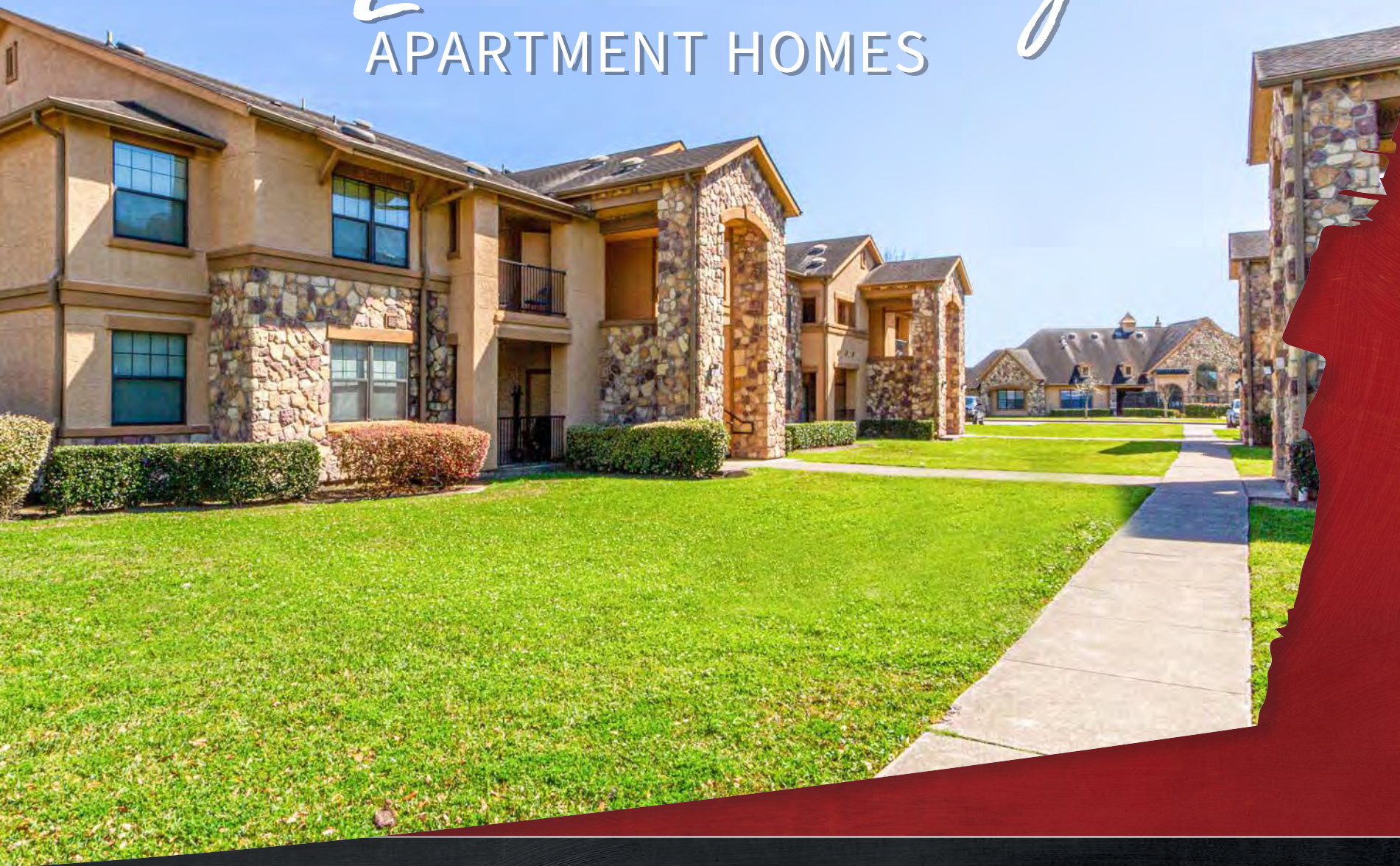


Lansborough

APARTMENT HOMES



MULTI-HOUSING LIHTC INVESTMENT OPPORTUNITY IN HOUSTON, TEXAS

The Offering

Lansborough is a 176-unit, garden-style community with a convenient, close-in location to Central Houston. It was developed in 2006 utilizing Low-Income Housing Tax Credit (LIHTC) equity under Section 42 of the Internal Revenue code. The community offers stable cash flow with low turnover and immediate income upside. It is available below replacement cost and on an all cash basis.

Investment Highlights

Community Competitive Advantages

- Ultra-low density with above-market unit sizes
- Diversified unit mix with 80% LIHTC and 20% market-rate
- Modern interior finishes (9' ceilings, wood-like plank flooring)
- Unique amenities (community garden, basketball court)

Value-Add Opportunities for New Ownership

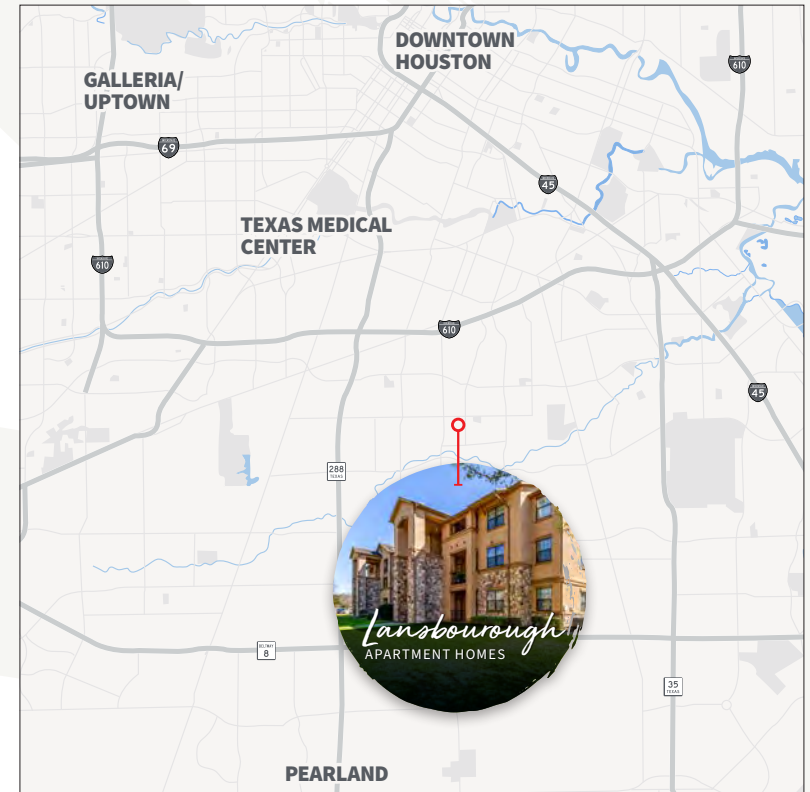
- Historic Area Median Income (AMI) growth for Houston is strong (2.5% average since 2008), and that trend continued with a 3.3% increase for 2020
- **LIHTC units aren't at max rent levels, leaving \$61K in annual income not collected**
- Market-rate units aren't rented at gross potential levels, leaving \$12K in annual income not collected
- Market-rate units have 9% lower rents than comparables
- Qualified Opportunity Zone and a gentrifying neighborhood location
- Located in a Qualified Census Tract (QCT) allowing for a 30% basis boost on any re-syndication strategy

Long-Term Demand Drivers for Secure Cash Flow

- Popular and historically significant neighborhood
- METRO bus stop located directly in front of property
- Walking distance to local community center and grocery-anchored shopping
- 5 miles from Fannin South station for METRORail Red Line
- 5 miles from planned Hobby Airport station for METRORail Purple/Green Lines
- 285K+ jobs within 5 miles
- Within 10 minutes of Highway 288 and the 610 loop
- Within 15 minutes of major employment hubs - Hobby Airport, Texas Medical Center, Pearland, and Downtown

Demographic and Market Support

- 7.2% T12 rent growth of affordable units in submarket compared to 1.0% for submarket overall
- Houston has 19 affordable housing units for every 100 households in need, an 80% deficit (National Low Income Housing Coalition)
- Houston is projected #1 in the US for population growth and #4 for job growth from 2019 to 2022 (Witten Advisors)



Investment Summary

ADDRESS	10010 Cullen Blvd, Houston, TX 77051
PRICE	Market
OFFERING TERMS	All Cash
YOC	2006
TOTAL ACREAGE	26.78
TOTAL UNITS	176
TOTAL SF	177,464
AVG UNIT SIZE SF	1,008
OCCUPIED	94.9%
AVG EFFECTIVE RENT/UNIT	\$891
AVG EFFECTIVE RENT/SF	\$0.89
INCOME RESTRICTIONS	16 units @ 30% AMI, 5 units @ 40% AMI, 36 units @ 50% AMI, 84 units @ 60% AMI, and 35 units @ Market
END OF COMPLIANCE	2021
EXTENDED USE PERIOD	2046
TEXAS RIGHT OF FIRST REFUSAL	Yes

Lansborough rents and occupancy are from the June 18, 2020 rent roll.



CAPITAL MARKETS **MULTI-HOUSING**

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