

The Charleston

163 Build-to-Rent Units in the 6th fastest growing metro in the U.S.



PROJECT SUMMARY

The Charleston is a fully entitled Build-to-Rent development project in Foley, AL, one of the fastest growing metro areas in the Gulf Region. This is the third BTR project from a sponsor with an extensive track record in development, value-add, and commercial projects.

9860 Hickory Street South Foley, AL 36535
 163 units 187,850 SF
 18.79 acres 1,152 SF per unit
 Luxury finishes 163 standalone SFRs
 Class A amenities
 Land purchased and fully entitled



CAPITAL OPPORTUNITIES

\$4,841,355 Mezzanine Loan
 12%-14% Fixed Rate
\$10,189,794 Common Equity
 22.61% LP IRR
 1.94X LP Equity Multiple

PROJECT RETURNS

Levered
 Net Cash Flow \$14,301,550
 IRR 25.86%
 Equity Multiple 2.40X

SPONSOR SUMMARY

Legacy Acquisitions was founded in 2012 by highly experienced partners with a passion for prudent, responsible stewardship of investor capital combined with a dedication to building resident communities that elevate living underscored by faith-based values. Highlights of their combined 60 years of experience:
 3,000 apartment units developed or acquired
 5M SF triple-net industrial acquired
 \$1.2B assets under management
 \$450M construction value
 \$400M equity raised
 1,000 constructed units

Local experience:

1,536 units in master planned development in LA and MS
 2,528 units in conventional SFR development in LA
 130 units in ground-up BTR communities in Lafayette MSA

SOURCES

Construction Loan	\$26,006,239
Mezzanine Loan	\$4,841,355
Preferred Equity	\$0
Common Equity	\$10,189,794
GP	\$724,563
LP	\$9,465,231
Total Sources	\$41,037,388

USES

Land Purchase Price	\$950,000
Hard Costs	\$27,846,019
Soft Costs	\$1,590,878
Contingency	\$2,928,958
Development Fees	\$1,171,583
Financing & Carrying Costs	\$6,340,328
Operating Cashflow Shortfalls	\$209,622
Total Uses	\$41,037,388

Development Spread



LOCATION HIGHLIGHTS

Strong rental demand: up to 15% cheaper to rent than buy
 70.2% population growth from 2010 to 2024
 The Wharf district includes a 222-acre entertainment district with retail stores, 10,000-seat amphitheater, and 208-slip marina
 The Wharf Marina is one of the largest marinas in the Central Gulf Coast
 Baldwin County Public School System is a top-rated school district

The Charleston

163 Build-to-Rent Units in the 6th fastest growing metro in the U.S.



PROJECT TIMELINE



OPERATING FINANCIAL SUMMARY

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Gross Potential Rental Revenue	-	-	-	3,380,501	3,924,343	4,043,706
Economic Vacancy, Concessions	-	-	-	(2,229,680)	(689,394)	(230,997)
Net Rental Income	-	-	-	1,150,821	3,234,949	3,812,709
Other Income	-	-	-	168,451	473,515	558,084
Effective Gross Income	-	-	-	1,319,272	3,708,464	4,370,793
Operating Expenses	-	-	-	(863,408)	(1,231,765)	(1,415,543)
<i>Operating Expense Ratio</i>	0.0%	0.0%	0.0%	65.4%	33.2%	32.4%
Net Operating Income	-	-	-	455,864	2,476,699	2,955,250
Asset Management Fee	-	-	-	(286,132)	(286,132)	(286,132)
Replacement Reserves	-	-	-	(48,900)	(48,900)	(48,900)
Cash Flow from Operations	-	-	-	120,832	2,141,667	2,620,218
Shortfall Reserves Distribution	-	-	-	203,382	-	-
Project Sale	-	-	-	-	-	49,285,728
Sales Costs	-	-	-	-	-	(1,478,572)
Net Proceeds from Sale	-	-	-	324,214	2,141,667	48,469,695
Net Proceeds from Operations and Sale	-	-	-	99,568	1,718,896	65,586,281
Land Acquisition Cost	(1,646,322)	-	-	-	-	-
Hard Costs	-	(6,604,629)	(9,336,845)	(11,904,545)	-	-
Soft Costs	-	(1,101,794)	(261,169)	(80,593)	-	-
Contingency	-	(770,642)	(959,801)	(1,198,514)	-	-
Development Fees	-	(308,257)	(383,921)	(479,406)	-	-
Equity Raise Fee	(103,777)	-	(201,917)	-	-	-
Operating Cashflow Shortfalls	-	-	(209,622)	-	-	-
Total Investment	(1,750,099)	(8,785,322)	(11,353,275)	(13,663,058)	-	-
Total Unlevered Project Cash Flow	(1,750,099)	(8,785,322)	(11,353,275)	(13,338,844)	2,141,667	48,469,695
Construction Loan	1,071,691	5,668,891	4,597,901	14,667,756	-	-
Payments, Fees (net of reserve draws)	(1,153,051)	-	(2,281,911)	(542,165)	(1,976,934)	(329,489)
Payoff	-	-	(7,314,113)	(201,291)	-	(18,290,874)
Mezzanine Loan	260,065	1,464,083	3,117,206	-	-	-
Payments, Fees (net of reserve draws)	(235,481)	-	(811,801)	(100,134)	(600,805)	(131,306)
Payoff	-	-	-	-	-	(4,841,355)
Refinance	-	-	-	-	-	31,200,000
Payments, Fees (net of reserve draws)	-	-	-	-	-	(481,000)
Payoff	-	-	-	-	-	(31,200,000)
Reserve Fund (net)	-	-	-	(453,105)	453,105	-
Total Levered Project Cash Flow	(1,806,874)	(1,652,347)	(14,045,993)	32,216	17,034	24,395,671

CONTACT

Andrew Stimson
andrew@legacyacquisitions.com
 913.712.4222

Andy McMullen
andy@legacyacquisitions.com
 310.920.2441