

22 UNIT SCATTERED HOUSING MULTIFAMILY PORTFOLIO



FOR SALE
DELAWARE COUNTY, PA



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I. EXECUTIVE SUMMARY

Investment Overview
Submarket Overview



INVESTMENT OVERVIEW

Stockton Real Estate Advisors, LLC is pleased to present an incredible portfolio of scattered housing, located in Delaware County, Pennsylvania. These properties offer the ability to achieve immediate cash flow, while also being able to increase rents. This 22,822 SF portfolio is comprised of 22 single homes with a majority of two and three bedroom homes. There are 52 bedrooms in total. The average square footage of the units is approximately 1,037 square feet. The average monthly rents currently being achieved for the two-bedroom units is \$934 and \$1,171 for the three-bedroom units. Tenants are responsible for all of the utilities. Many of the properties feature garages, porches, and front and back yards.

Several of the units have been fully renovated with new kitchens, bathrooms, carpeting, fixtures, and fresh paint. New ownership will be able to increase the performance of the portfolio by making renovations to similar standards while maintaining positive cash flow.



OFFERING SUMMARY

22 Single Family Homes | Delaware County

- ◆ 1 BR/1.5 BA: 1 Unit | \$925/mo Avg. Rent
- ◆ 2 BR/1BA: 12 Units | \$934/mo Avg. Rent
- ◆ 3 BR/1.5 BA: 1 Unit | \$1,120/mo Avg. Rent
- ◆ 3 BR/1BA: 8 Units | \$1,180/mo Avg. Rent

Scattered Site

Positive Cash Flow

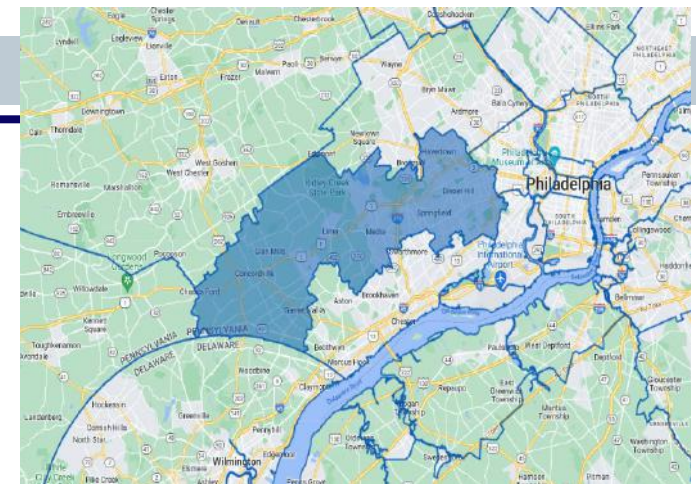
Ability to Increase Rents

Strong Rental Demand

Asking Price \$2,750,000.00



Submarket Overview | Upper Delaware County



Multifamily Market Report—Upper Delaware County

OVERVIEW

While developers have been active in recent years, no new product has delivered over the past 12 months. New supply will remain minimal in the near-term as no new projects are currently underway. Rents have increased by an impressive 7.5% over the past year, which significantly exceeds the average annual growth of 3.7% over the past decade.

RENTS

Rents posted gains of 7.5% over the past 12 months, outpacing the 6.1% annualized average over the past three years. Upper Delaware County has enjoyed an exceptional stretch of rent growth over a longer time frame. Apartment rents today are 45.2% higher than they were 10 years ago. That exceeds the already impressive trend in the metro area, where rents have cumulatively increased by 39.5% over the past decade.

SALES

Annual sales volume has averaged \$124 million over the past five years, and the 12-month high in investment volume hit \$450 million over that stretch. In the past 12 months specifically, \$154 million worth of assets sold. The market price, based on the estimated price movement of all communities in the submarket, sat at \$181,145/door during the third quarter of 2022. That price has surged since last year, growing by more than 9%, although the level is still far short of the average price for the region. The market cap rate has dropped since last year and currently sits at 4.9%. This is the lowest cap rate that has been seen in five years, and it's close to the metro area's average.

12 Mo. Delivered Units

0

12 Mo. Absorption Units

(36)

Vacancy Rate

2.4%

12 Mo. Asking Rent Growth

7.5%

KEY INDICATORS	UNITS	VACANCY RATE	ASKING RENT	EFFECTIVE RENT
Submarket	14,992	2.40%	\$1,304	\$1,299
ANNUAL TRENDS		12 MONTH	HISTORICAL AVG.	FORECAST AVG.
Vacancy Change (YOY)		0.2%	5.2%	2.7%
Absorption Units		(36)	78	(24)
Delivered Units		0	69	3
Asking Rent Growth (YOY)		7.5%	2.2%	3.4%
Effective Rent Growth (YOY)		7.4%	2.2%	3.4%
Sales Volume		\$152M	\$57.2M	N/A

Source: CoStar Market Research. "Multifamily Submarket Report Upper Delaware County" (2022)



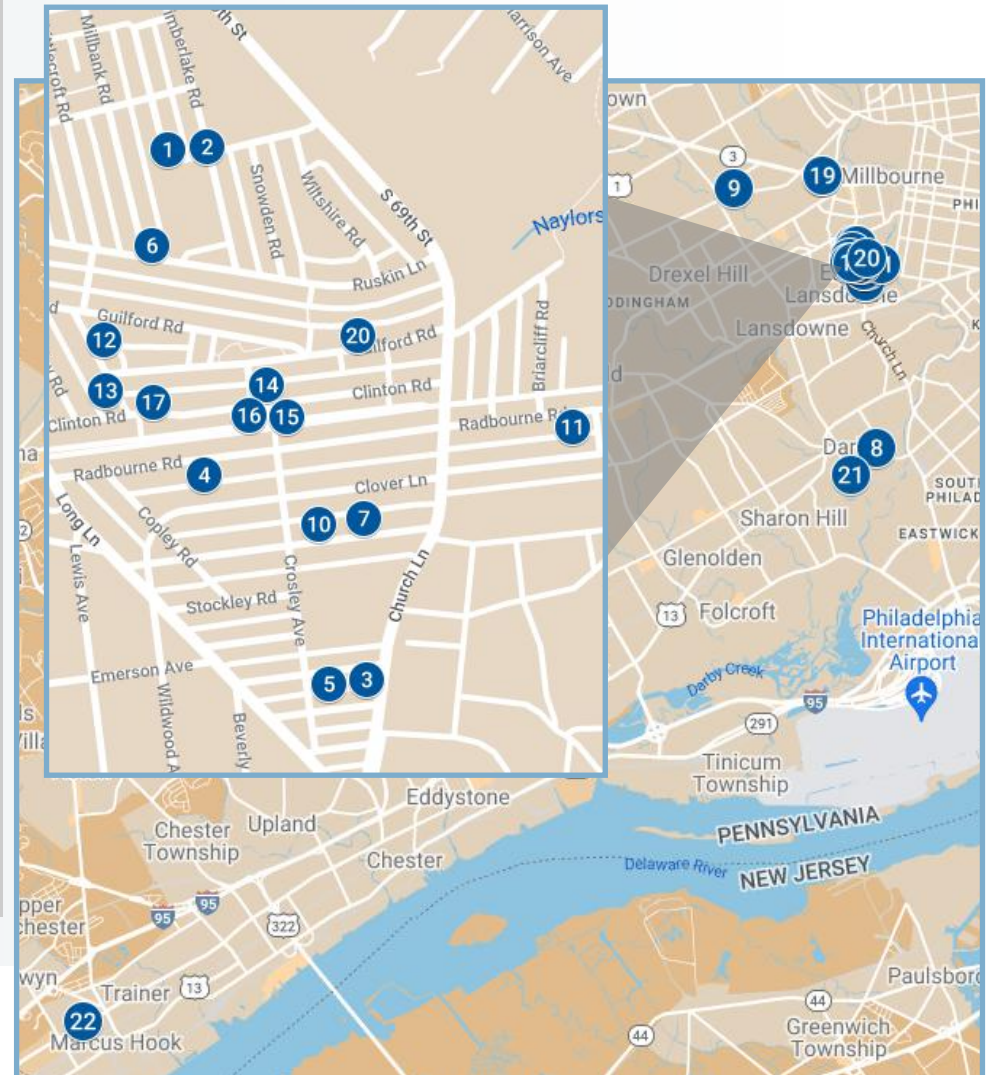
II. PROPERTY DESCRIPTION

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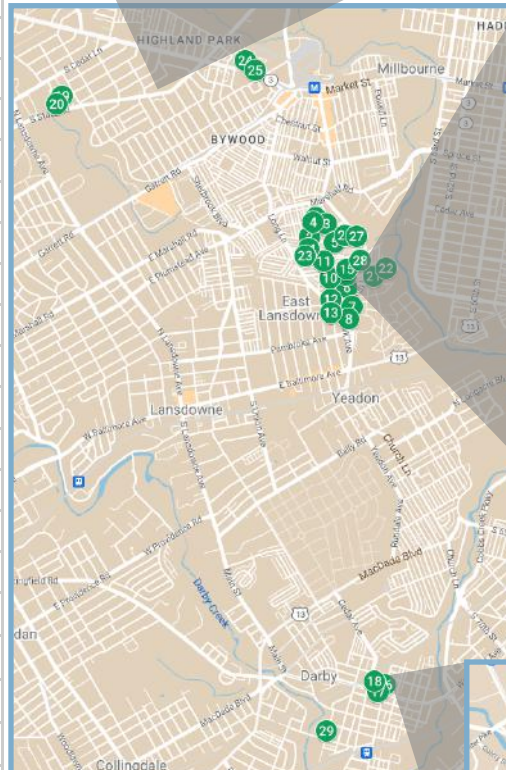
Portfolio Summary

	Address	Unit Type	SF
1	529 Woodcliffe Road	2BD/1BA	841
2	530 Timberlake Road	2BD/1BA	932
3	7010 Emerson Avenue	2BD/1BA	928
4	7136 Radbourne Road	3BD/1BA	1,128
5	7022 Emerson Avenue	2BD/1BA	928
6	569 Millbank Road	3BR/1BA	1,072
7	7049 Greenwood Road	3BR/1BA	1,064
8	441 Darby Terrace	3BD/1BA	968
9	7926 Arlington Avenue	3BR/1BA	1,152
10	7053 Greenwood Avenue	3BR/1BA	1,064
11	6818 Radbourne Road	3BD/1.5BA	1,314
12	611 Littlecroft Road	2BD/1BA	818
13	644 Littlecroft Road	2BD/1BA	1,263
14	6987 Clinton Road	2BD/1BA	864
15	7000 Clinton Road	2BD/1BA	977
16	7008 Clinton Road	2BD/1BA	953
17	7047 Clinton Road	2BD/1BA	818
18	7221 West Chester Pike, 1st Fl.	1BD/1.5BA	739
19	7221 West Chester Pike, 2nd Fl.	2BD/1BA	1,307
20	6941 Guilford Road	2BD/1BA	1,000
21	712 Pine Street	3BR/1BA	1,376
22	1425 Hewes Avenue	3BR/1BA	1,316



Sale Comparables

	Address	Unit Type	SF	Closing Date	Purchase Price
1	447 Millbank Road	3BD/1BA	1,028	5/16/22	\$175,000
2	550 Littlecroft Road	3BD/1BA	1,093	5/13/22	\$190,000
3	524 Timberlake Road	2BD/1BA	1,022	5/9/22	\$113,300
4	504 Millbank Road	3BD/1BA	1,096	4/25/22	\$90,000
5	595 Timberlake Road	2BD/1BA	798	4/19/22	\$137,500
6	7062 Greenwood Avenue	3BD/1BA	1,064	5/27/22	\$155,000
7	7006 Emerson Avenue	2BD/1BA	928	5/17/22	\$131,000
8	7016 Cleveland Avenue	3BD/1BA	928	4/27/22	\$138,000
9	7061 Clover Lane	3BD/2BA	1,060	7/15/22	\$100,000
10	7131 Clover Lane	3BD/1BA	1,064	6/29/22	\$150,000
11	7034 Aberdeen Road	2BD/1BA	818	4/1/22	\$78,500
12	7135 Seaford Road	2BD/1BA	936	6/30/22	\$100,000
13	148 Beverly Avenue	3BD/2BA	1,456	6/9/22	\$150,000
14	7101 Guilford Road	2BD/1BA	818	5/17/22	\$78,500
15	7053 Radbourne Road	3BD/1BA	1,060	5/3/22	\$100,000
16	401 Darby Terrace	2BD/1BA	1,031	6/23/22	\$80,000
17	418 Darby Terrace	3BD/2BA	968	6/10/22	\$105,000
18	439 Darby Terrace	3BD/1BA	1,056	5/11/22	\$137,000
19	404 S Carol Blvd	3BD/1BA	1,192	6/13/22	\$170,000
20	7822 Arlington Avenue	3BD/2BA	1,152	5/10/22	\$200,000
21	6854 Clover Lane	3BD/1BA	1,278	4/29/22	\$179,900
22	6814 Radbourne Road	3BD/1BA	1,314	4/14/22	\$130,000
23	621 Copley Road	2BD/1BA	818	6/1/22	\$130,000
24	29 Leighton Terrace	2BD/1BA	864	7/8/22	\$93,000
25	7215 West Chester Pike	3BD/1.5BA	1,120	3/22/22	\$100,000
26	536 Wiltshire Road	3BD/1.5BA	1,368	7/7/22	\$187,000
27	554 S 69th Street	3BD/1.5BA	1,197	6/10/22	\$125,000
28	6913 Clinton Road	2BD/1BA	900	5/24/22	\$102,000
29	316 S 7th St Street	3BD/1BA	1,280	7/1/22	\$135,000
30	1415 Hewes Avenue	3BD/1BA	1,316	6/24/22	\$139,900
31	220 Worrilow Street	2BD/2BA	1,010	5/31/22	\$185,000
			Average Purchase Price		\$132,648



Renovated Interior Photos



III. FINANCIAL OVERVIEW

Rent Roll

Operating Statement



Current Rent Roll

RENT ROLL SUMMARY

UNIT TYPE	UNITS	AVG. SF	IN PLACE		MARKET	
			AVG. RENT (mo.)	AVG RENT (PSF)	AVG. RENT (mo.)	AVG. RENT (PSF)
1BD/1.5BA	1	739	\$925	\$1.25	\$950	\$1.29
2BD/1BA	12	969	\$934	\$0.96	\$1,128	\$1.16
3BD/1BA	8	1,143	\$1,180	\$1.03	\$1,649	\$1.44
3BD/1.5BA	1	1,314	\$1,120	\$0.85	\$1,800	\$1.37
AVERAGE	22	1,037	\$1,031	\$0.99	\$1,340	\$1.28
GROSS MONTHLY				\$22,683		\$29,478
GROSS ANNUAL				\$272,196		\$353,736

ADDRESS	UNIT TYPE	SF	SECTION 8	RENT (mo.)
529 Woodcliffe Road	2BD/1BA	841	yes	\$950
530 Timberlake Road	2BD/1BA	932	yes	\$915
7010 Emerson Avenue	2BD/1BA	928	no	\$915
7136 Radbourne Road	3BD/1BA	1128	no	\$1,400
7022 Emerson Avenue	2BD/1BA	928	yes	\$850
569 Millbank Road	3BR/1BA	1072	no	\$1,350
7049 Greenwood Road	3BR/1BA	1064	no	\$920
441 Darby Terrace	3BD/1BA	968	no	\$1,000
7926 Arlington Avenue	3BR/1BA	1152	no	\$1,250
7053 Greenwood Avenue	3BR/1BA	1064	no	\$1,325
6818 Radbourne Road	3BD/1.5BA	1314	no	\$1,120
611 Littlecroft Road	2BD/1BA	818	no	\$875
644 Littlecroft Road	2BD/1BA	1263	no	\$900
6987 Clinton Road	2BD/1BA	864	no	\$900
7000 Clinton Road	2BD/1BA	977	no	\$975
7008 Clinton Road	2BD/1BA	953	no	\$1,250
7047 Clinton Road	2BD/1BA	818	no	\$755
7221 West Chester Pike, 1st Fl.	1BD/1.5BA	739	no	\$925
7221 West Chester Pike, 2nd Fl.	2BD/1BA	1307	no	\$950
6941 Guilford Road	2BD/1BA	1000	yes	\$967
712 Pine Street	3BR/1BA	1376	yes	\$1,025
1425 Hewes Avenue	3BR/1BA	1316	no	\$1,166
TOTAL		22,822		\$22,683



Operating Statement

INCOME	ACTUAL JAN-JUL 2022	ANNUALIZED 2022
Rental Income—Market Units	\$104,776	\$179,616
Rental Income—Section 8	\$40,926	\$70,159
TOTAL EFFECTIVE GROSS INCOME	\$145,702	\$249,775
EXPENSES	ACTUAL JAN-JUL 2022	ANNUALIZED 2022
Taxes (Annual)	\$40,648	\$40,648
Insurance (Annual)	\$18,148	\$18,148
Management Fee	\$6,600	\$11,314
Repairs and Maintenance	\$13,382	\$22,941
Utilities	\$3,219	\$5,518
Other	\$1,500	\$2,571
TOTAL EXPENSES	\$83,497	\$101,141
Expenses As % of EGI	57%	40%
NET OPERATING INCOME	\$62,205	\$148,634

