



VALENCIA AT MEDICAL

5111 Glen Ridge Dr
San Antonio, TX 78229

June 2025



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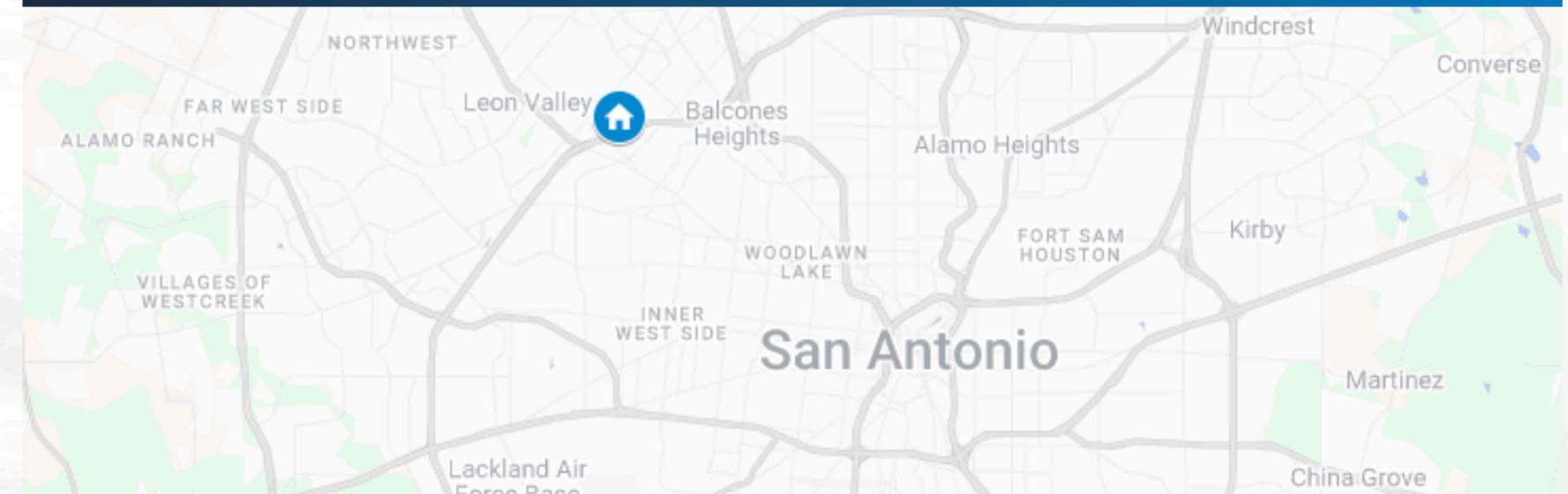
Asset Info	
Address	5111 Glen Ridge Dr
City, State	San Antonio, TX 78229
Asset Class	3 Star Apartment
Stabilized	Yes
Units Avg SF	346 units 976 SF
Buildings acres	35 buildings 15.96 acres
Returns	17.20% LIRR 9.84% ULIRR
Equity Debt	\$7,921,139 \$30,193,000
Exit Valuation Proceeds	\$49,201,365 \$23,045,166

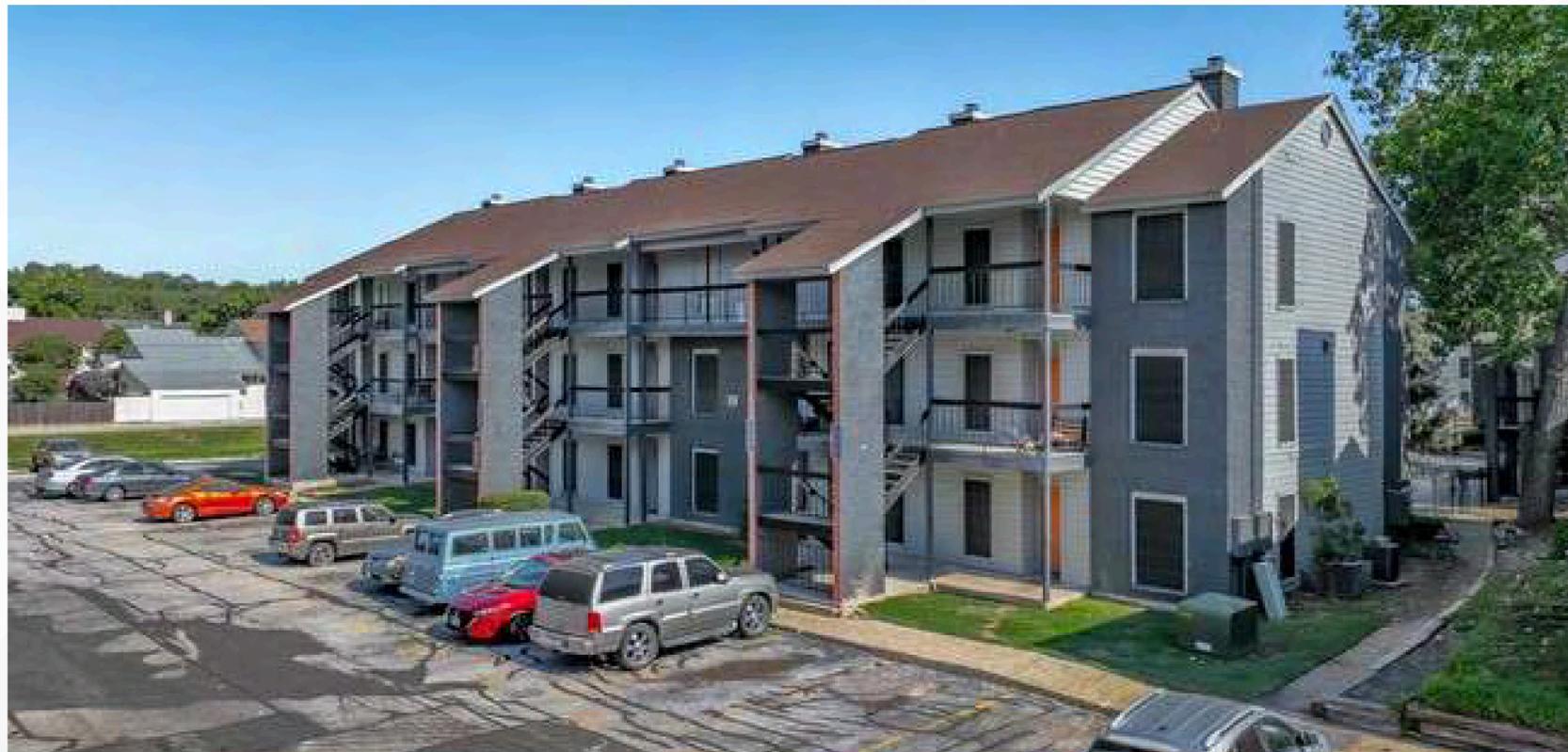
Costs	Total	Per Unit
Asking Price	\$38,500,000	\$111,272
Acquisition Price	\$36,575,000	\$105,708
Third Party Acquisition Fee	\$365,750	\$1,057
Financing Costs	\$301,930	\$873
Hard Costs	\$461,000	\$1,332
Closing + Contingency	\$776,209	\$2,243
Total Costs	\$38,114,139	\$110,156

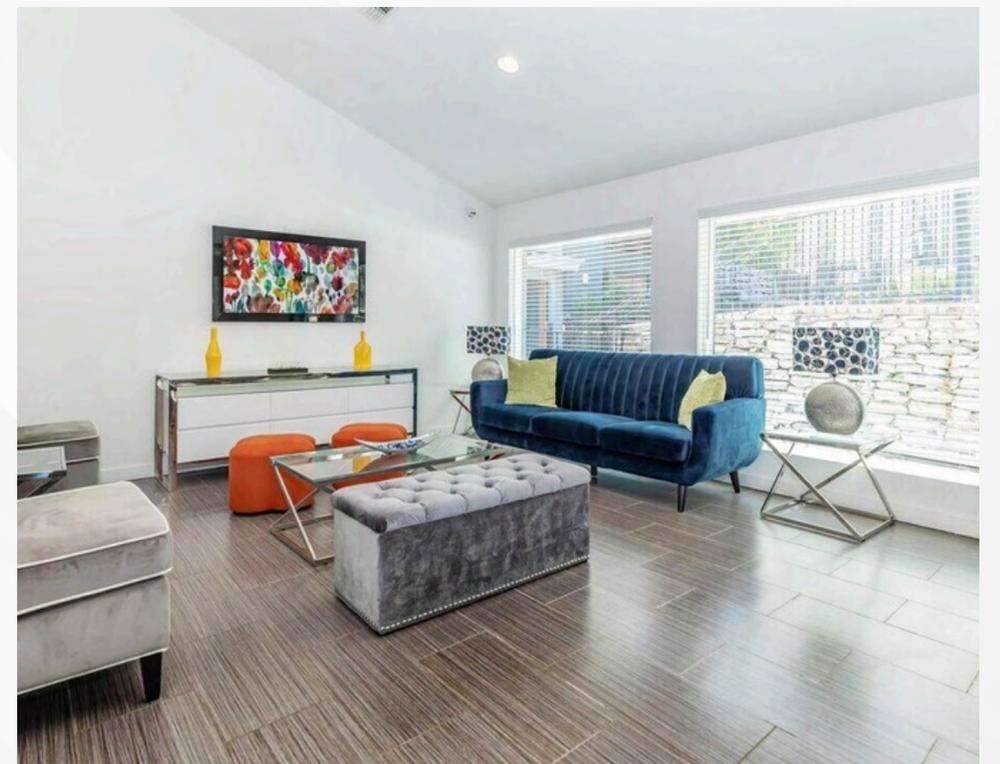
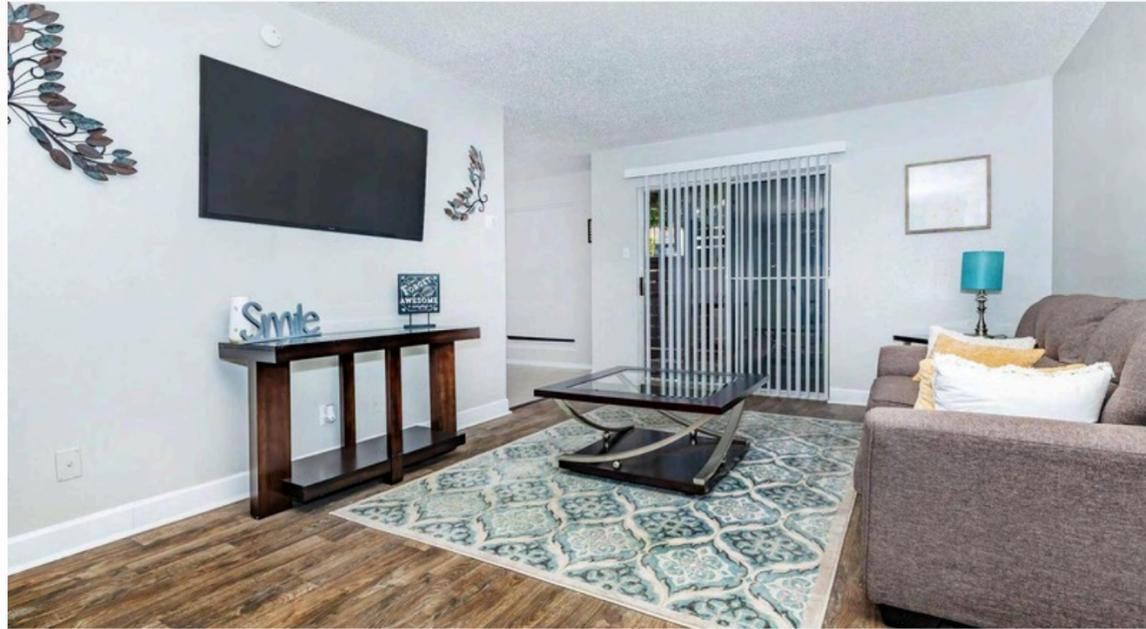
Investment Thesis

Valencia at Medical represents a compelling value-add multifamily investment opportunity located in San Antonio's Medical Center submarket. The property benefits from accretive in-place assumable debt, proximity to major employers, including the third largest in the market USAA, light renovation upside, and strong market fundamentals positioning it for long-term value appreciation and stabilized cash flow.

Property Location







ASSET OVERVIEW

Details	
Street	5111 Glen Ridge Dr
City State	San Antonio, TX 78229
Units SF	346 337,696 NRSF
Year Built	1980
Land Area Density	16 Acres
Density	21.6 Units/Acre
Buildings	23
Parking	800 Total
Current Occupancy	91.9%
Current Google Reviews	3.3 Stars (319 reviews)

Unit Features & Finishes

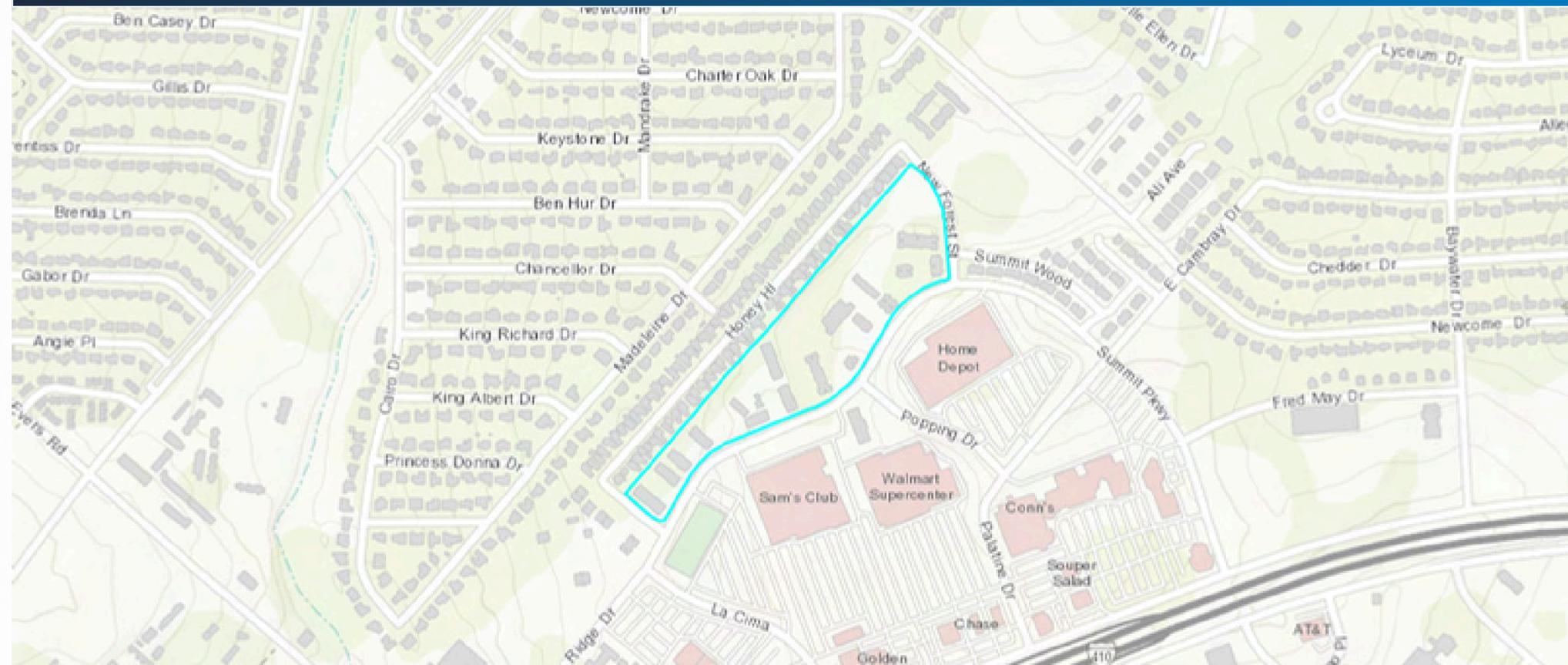
- All Electric Kitchen
- Balcony or Patio
- Cable Ready
- Carpeted Floors
- Central Air and Heating
- Dishwasher
- Extra Storage
- Faux Wood Flooring
- Pantry
- Washer and Dryer Connections

Community Amenities

- Fitness Center
- Swimming Pool with Sundeck
- Assigned Parking
- Landscaped Grounds with Picnic Tables and BBQ Grills
- Laundry Facility
- Play Area
- Pet-Friendly Policies

Unit Type	Count	SQFT	% of Total	T-12		Pro Forma	
				Rent / Unit	Rent / SF	Rent / Unit	Rent / SF
1x1	140	783	40.5%	\$924	\$1.18	\$910	\$1.17
2x1	24	926	6.9%	\$1,110	\$1.20	\$1,120	\$1.21
2x1.5	16	980	4.6%	\$1,116	\$1.14	\$1,096	\$1.12
2x2	126	1,073	36.4%	\$1,228	\$1.15	\$1,242	\$1.16
3x2	40	1,374	11.6%	\$1,453	\$1.06	\$1,457	\$1.07
Total / Average	346	976	100.00%	\$1,117	\$1.15	\$1,118	\$1.16

Site Map



UNIT MIX

Unit Type	Floor Plan Name	Count	SQFT	Rent / Unit	Rent / SF
1x1	A1R	38	722	\$850	\$1.18
	A2R	24	774	\$900	\$1.16
	A3DR	36	779	\$925	\$1.19
	A4DR	36	799	\$940	\$1.18
	A6LR	6	1,127	\$1,062	\$0.94
2x1	B1R	8	903	\$1,091	\$1.21
	B2R	12	927	\$1,125	\$1.21
	B3R	4	967	\$1,174	\$1.21
2x1.5	B4R	16	980	\$1,096	\$1.12
2x2	B5R	32	1,010	\$1,189	\$1.18
	B6R	12	1,014	\$1,104	\$1.09
	B7R	12	1,032	\$1,244	\$1.21
	B8R	8	1,063	\$1,274	\$1.20
	B9R	8	1,070	\$1,284	\$1.20
	A5LR	6	1,086	\$1,077	\$0.99
	B10R	16	1,089	\$1,292	\$1.19
	B11R	16	1,107	\$1,314	\$1.19
	B12R	16	1,223	\$1,354	\$1.11
	3x2	C1R	20	1,293	\$1,514
B13DLR		20	1,454	\$1,399	\$0.96
Total / Average		346	976	\$1,117	\$1.15

The image displays a grid of 18 unit cards, each representing a different unit type. Each card contains a floor plan (or a note that it is temporarily unavailable), a 3D rendering of the unit, and a list of key details: number of bedrooms (BEDS), number of bathrooms (BATHS), square footage (SQFT), rent, and deposit requirements. Each card also features a 'Compare or Share' button and a 'VIEW AVAILABLE' or '3D TOUR' button.

Unit ID	Bedrooms	Bathrooms	SQFT	Rent	Deposit	Availability
967	2	1	967	\$1159	FLEX DEPOSIT	VIEW AVAILABLE
980	2	1.5	980	CALL FOR DETAILS	FLEX DEPOSIT	3D TOUR
1010	2	2	1010	\$1159	FLEX DEPOSIT	VIEW AVAILABLE / 3D TOUR
1014	2	2	1014	CALL FOR DETAILS	FLEX DEPOSIT	VIEW AVAILABLE
1032	2	2	1032	\$1229	FLEX DEPOSIT	VIEW AVAILABLE
1063	2	2	1063	\$1259	FLEX DEPOSIT	VIEW AVAILABLE / 3D TOUR
722	1	1	722	\$819	FLEX DEPOSIT	VIEW AVAILABLE / 3D TOUR
774	1	1	774	CALL FOR DETAILS	FLEX DEPOSIT	3D TOUR
779	1	1	779	\$949	FLEX DEPOSIT	VIEW AVAILABLE / 3D TOUR
1X1 LOFT	1	1	1127	CALL FOR DETAILS	FLEX DEPOSIT	3D TOUR
903	2	1	903	\$1079	FLEX DEPOSIT	VIEW AVAILABLE / 3D TOUR
927	2	1	927	\$1119-\$1159	FLEX DEPOSIT	VIEW AVAILABLE / 3D TOUR
1070	2	2	1070	CALL FOR DETAILS	FLEX DEPOSIT	VIEW AVAILABLE
1089	2	2	1089	\$1279	FLEX DEPOSIT	VIEW AVAILABLE / 3D TOUR
1107	2	2	1107	\$1259-\$1299	FLEX DEPOSIT	VIEW AVAILABLE / 3D TOUR
1223	2	2	1223	\$1339	FLEX DEPOSIT	VIEW AVAILABLE / 3D TOUR
PENTHOUSE	2	2	1454	CALL FOR DETAILS	FLEX DEPOSIT	VIEW AVAILABLE
3X2	3	2	1293	CALL FOR DETAILS	FLEX DEPOSIT	3D TOUR

COMPARABLE ANALYSIS

Valencia at Medical



RENT COMPS

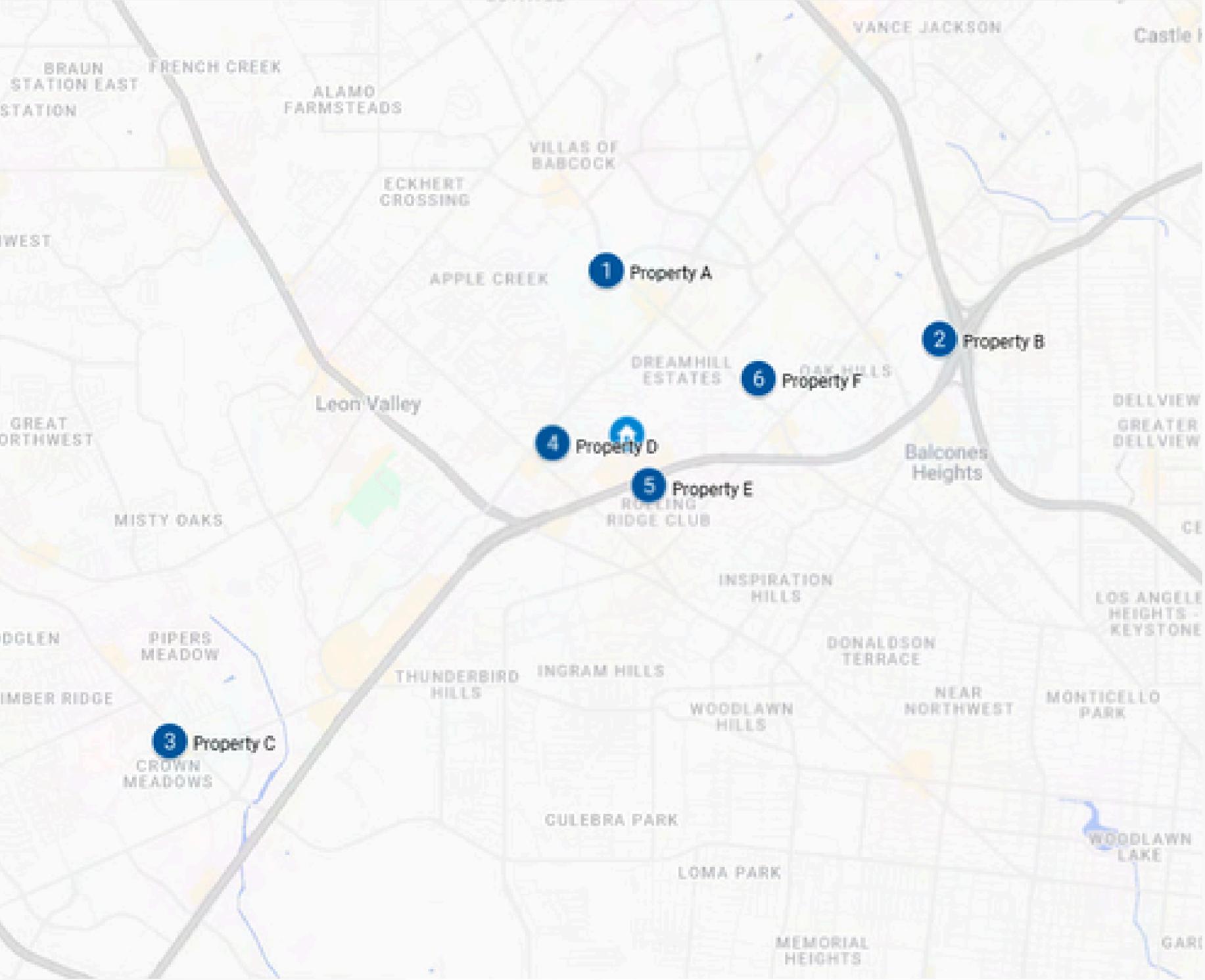


Subject Property A Property B Property C Property D Property E Property F

Community	Subject	#5 Walnut Hill Property A	#9 Melia Apt Property B	#10 Doral Club Property C	#12 Serenity Res Property D	#14 Pearl Park Property E	#15 The Oaks At Property F
Address	5111 Glen Ridge Dr, San Antonio, TX 78229	2626 Babcock Rd, San Antonio, TX 78229	3431 Oakdale St, San Antonio, TX 78229	7750 Culebra Rd, San Antonio, TX 78251	6400 Wurzbach Rd, San Antonio, TX 78229	5100 NW Loop 410, San Antonio, TX 78229	1847 Babcock Rd, San Antonio, TX 78229
Neighborhood	Medical Center	Medical Center	Lafayette Place	Crown Meadows	Medical Center	Rolling Ridge	Oak Hills
Vintage	1980	1980	1972	1985	1980	1974	1973
Renovated	-	Renovated	2014	Renovated	2019	N/A	N/A
Occupancy	92.5%	88.7%	91.0%	94.3%	77.6%	94.7%	84.3%
Units	346	424	300	297	268	188	121
Avg SQ FT	976	691	939	777	845	966	969
Rent	\$1,146	\$948	\$1,089	\$895	\$960	\$1,071	\$1,059
Rent/SF	\$1.17	\$1.37	\$1.16	\$1.15	\$1.14	\$1.11	\$1.09
Fees	Subject	Property A	Property B	Property C	Property D	Property E	Property F
Application	\$50	\$100	\$50	\$35	\$55	\$50	N/A
Admin	\$100	\$150	\$100	\$100	\$44	\$100	N/A
Pet Fee	N/A	\$500 Deposit	N/A	Depends on weight	\$400	N/A	N/A
Pet Rent	\$25/month (Max 1)	\$0 (Max 2)	N/A (Max 2)	Depends on weight	\$25	N/A (Max 2)	\$20/month
Valet Trash	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Garage/Carport	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Demographics	Subject	Property A	Property B	Property C	Property D	Property E	Property F
Median Home Income (1 mi)	\$44,571	\$65,921	\$47,547	\$41,127	\$55,749	\$46,241	\$40,787
Median Home Income (3 mi)	\$45,929	\$60,615	\$49,141	\$45,774	\$59,609	\$45,917	\$45,853
Median Home Values (1 mi)	\$141,268	\$194,367	\$194,367	\$174,621	\$186,529	\$171,579	\$184,891
Median Home Values (3 mi)	\$182,499	\$195,935	\$195,935	\$187,505	\$183,189	\$168,819	\$179,577
Elementary School	B	B	B	B	B	B	B
Middle School	B-	B-	B-	B-	B-	B-	B-
High School	B	B	B	B	B	B	B

RENT COMPS

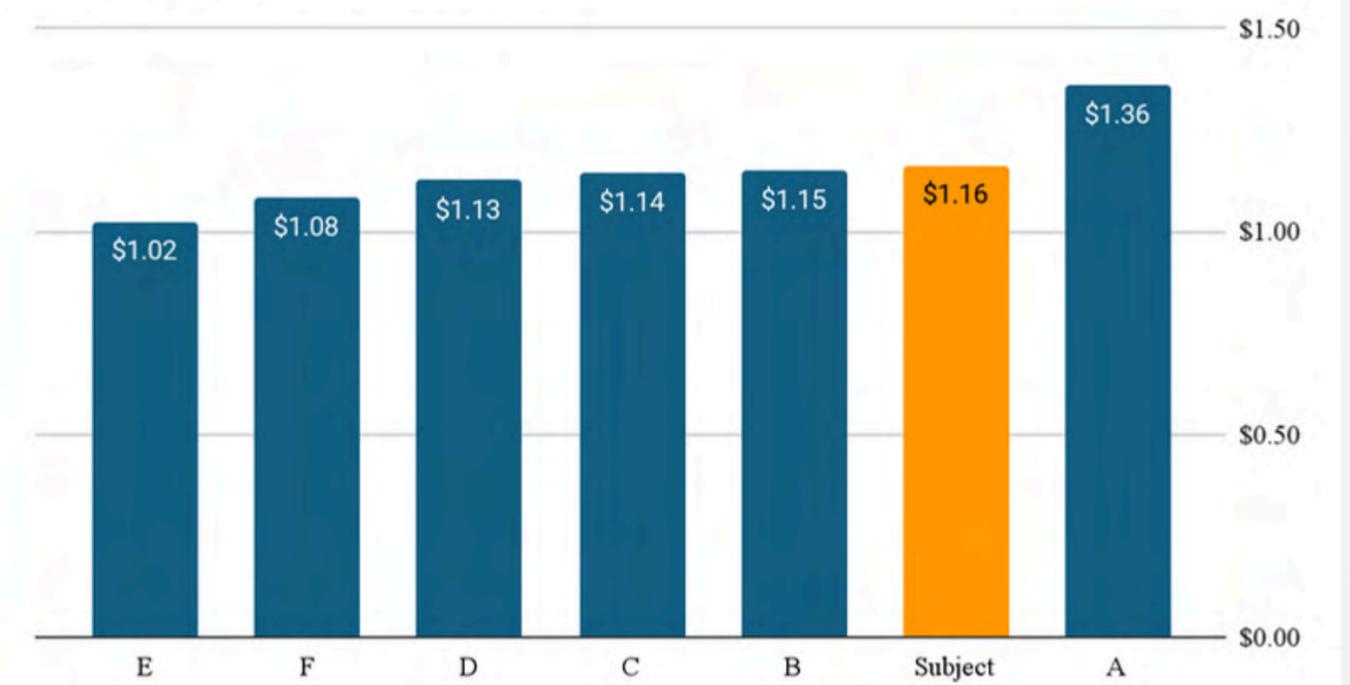
Summary



Average Adjusted Rent



Average Adjusted Rent/SF



AMENITY AND FINISHES COMPARISON

One Bedroom	Vintage	Renovated	Distance	Floorplan	Unit Type	Units	Avg SF	Market Rent	PSF	Effective Rent	PSF
5111 Glen Ridge Dr	1980	Yes	N/A	1x1	1x1	200	525	\$963	\$1.21	\$955	\$1.20
2626 Babcock Rd	1970		1.20 miles	1x1	1x1	272	580	\$862	\$1.52	\$854	\$1.47
3431 Oakdale St	1972	2014	2.30 miles	1x1	1x1	108	667	\$810	\$1.22	\$802	\$1.20
7750 Culebra Rd	1968		3.90 miles	1x1	1x1	148	607	\$788	\$1.30	\$783	\$1.29
6400 Wurzbach Rd	1980	2018	0.50 miles	1x1	1x1	156	685	\$805	\$1.32	\$797	\$1.16
5100 NW Loop 410	1974		0.40 miles	1x1	1x1	64	737	\$846	\$1.15	\$781	\$1.06
1847 Babcock Rd	1973		1.00 miles	1x1	1x1	48	661	\$823	\$1.25	\$815	\$1.23
Comp Avg	1973						656	\$822	\$1.29	\$1,078	\$1.31
Subject Property	1980	Yes	N/A	1x1	1x1	200	525	\$963	\$1.21	\$955	\$1.20
Two Bedroom	Vintage	Renovated	Distance	Floorplan	Unit Type	Units	Avg SF	Market Rent	PSF	Effective Rent	PSF
5111 Glen Ridge Dr	1980	Yes	N/A	14	2x1	19	600	\$1,223	\$1.16	\$1,213	\$1.15
2626 Babcock Rd	1980		1.20 miles	2x1, 2x2	2x1, 2x2	144	872	\$1,091	\$1.25	\$1,081	\$1.24
3431 Oakdale St	1972	2014	2.30 miles	2x2, 2x2.5	2x2, 2x2.5	159	1,047	\$1,202	\$1.15	\$1,190	\$1.14
7750 Culebra Rd	1985		3.90 miles	2x2	2x2	149	946	\$1,002	\$1.06	\$995	\$1.05
6400 Wurzbach Rd	1980	2018	0.50 miles	2x1, 2x2	2x1, 2x2	84	1,019	\$1,088	\$1.07	\$1,077	\$1.06
5100 NW Loop 410	1974		0.40 miles	2x1, 2x2	2x1, 2x2	84	997	\$1,088	\$1.09	\$1,005	\$1.01
1847 Babcock Rd	1973		1.00 miles	2x1, 2x2, 2x2.5	2x1, 2x2, 2x2.5	53	1,049	\$1,148	\$1.09	\$1,137	\$1.08
Comp Avg	1978						933	\$1,120	\$1.12	\$1,078	\$1.31
Subject Property	1980	Yes	N/A	14	2x1	19	600	\$1,223	\$1.16	\$1,213	\$1.15
Three Bedroom	Vintage	Renovated	Distance	Floorplan	Unit Type	Units	Avg SF	Market Rent	PSF	Effective Rent	PSF
5111 Glen Ridge Dr	1980	Yes	N/A	3x2	3x2	20	1,293	\$1,513	\$1.17	\$1,500	\$1.16
2626 Babcock Rd	1980		1.20 miles	3x2	3x2	8	1,185	\$1,279	\$1.08	\$1,267	\$1.07
3431 Oakdale St	1972	2014	2.30 miles	3x2	3x2	33	1,304	\$1,460	\$1.12	\$1,445	\$1.11
6400 Wurzbach Rd	1980	2018	0.50 miles	3x2	3x2	28	1,210	\$1,440	\$1.19	\$1,426	\$1.18
5100 NW Loop 410	1974		0.40 miles	3x2	3x2	40	1,267	\$1,395	\$1.10	\$1,288	\$1.02
1847 Babcock Rd	1973		1.00 miles	3x2, 3x2.5	3x2, 3x2.5	20	1,495	\$1,391	\$0.93	\$1,377	\$0.92
Comp Avg	1980						942	\$1,285	\$1.15	\$1,078	\$1.31
Subject Property	1980	Yes	N/A	3x2	3x2	20	1,293	\$1,513	\$1.17	\$1,500	\$1.16

AMENITY AND FINISHES COMPARISON



Community Amenities	Subject	Property A	Property B	Property C	Property D	Property E	Property F
Dog Park		X					
Bus Stop	X	X	X	X	X	X	X
Pool	X	X	X	X	X	X	X
Business Center	X	X		X			X

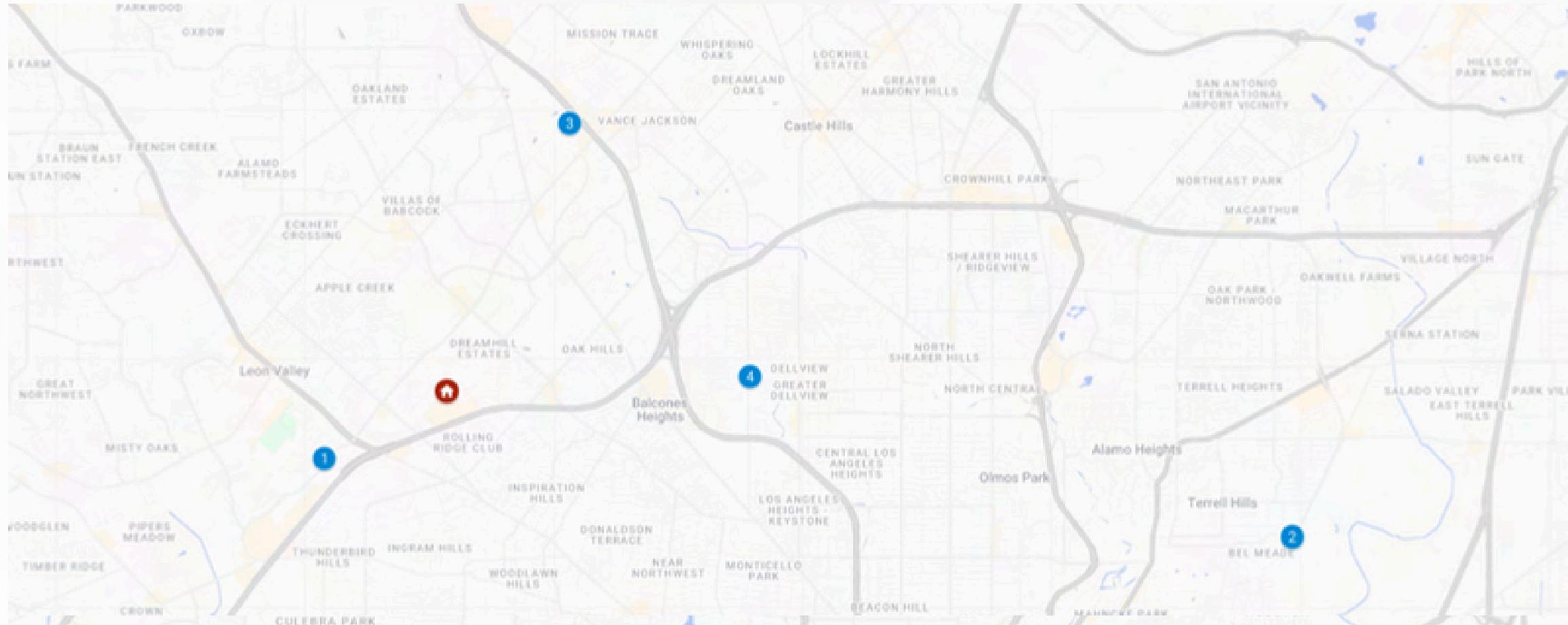
Convenience	Subject	Property A	Property B	Property C	Property D	Property E	Property F
Laundry Facilities	X	X	X	X	X	X	X
Billiards Room							
BBQ/Grilling Area	X	X	X		X	X	X
Gym	X	X			X	X	X

Security	Subject	Property A	Property B	Property C	Property D	Property E	Property F
Access Gates			X				
Audible/Monitored Alarms							
Controlled Building Access			X				
Guard House							

Unit Amenity	Subject	Property A	Property B	Property C	Property D	Property E	Property F
W/D In Unit			Select Units				Select Units
W/D Hook Up	X	Select Units	Select Units			X	Select Units
Vinyl Plank Flooring	X	X	X	X	X	X	X
Balcony / Patio	X	X	X	X	X	X	X

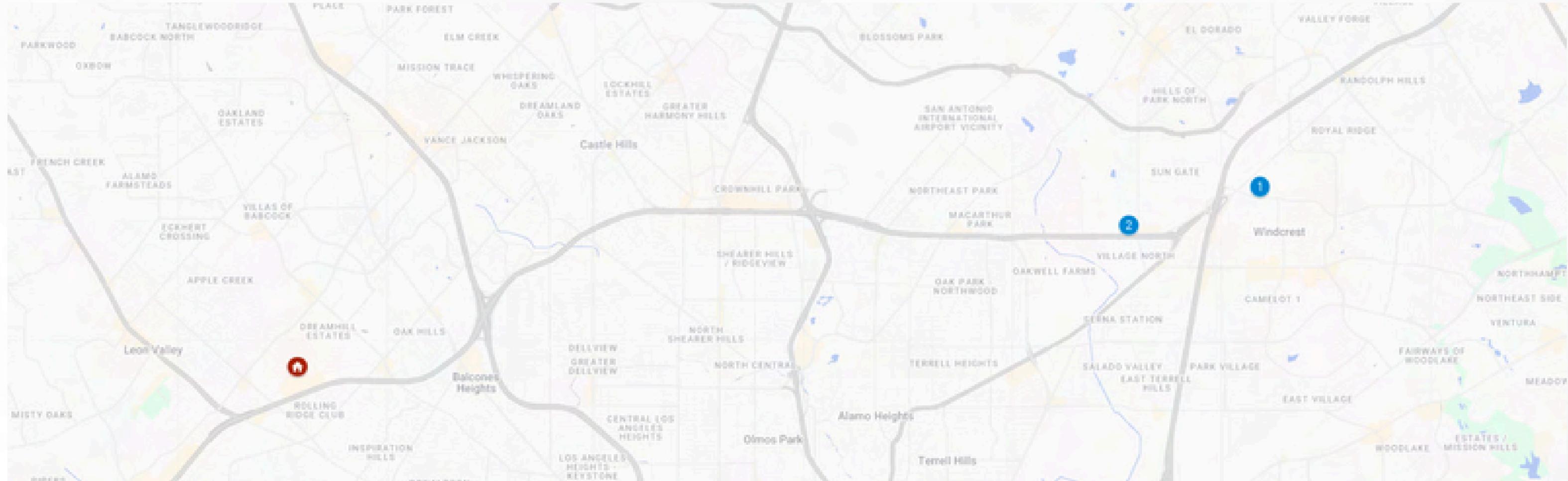
Unit Features	Subject	Property A	Property B	Property C	Property D	Property E	Property F
Appliances - Stainless							
Updated Kitchen Cabinetry					X	X	X
Walk-in Closets	X						
Pantry	X	X	X	X	X	X	X

SALE ANALYSIS



Property	Type	Year Built / Renov	Year Sold	# of Units	Sold Price	Price/Unit	Price/SF	Median HH Income		Median Home Values		School Rankings	
								1 Mile	3 Mile	1 Mile	3 Mile	Elementary	High
Property 1	Multi-Fam	1972/2002 1959	Aug 2023	100	\$7,125,000	\$71,250	\$85.43	\$68,275	\$80,863	\$237,869	\$260,990	A	A-
Property 2	Multi-Fam	1984/2015	Jun 2024	45	\$4,000,000	\$88,889	\$80.00	\$105,896	\$62,922	\$427,922	\$374,857	A	A
Property 3	Multi-Fam		Jul 2024	128	\$8,000,000	\$62,500	\$94.24	\$47,138	\$53,560	\$202,575	\$260,668	A	A
Property 4	Multi-Fam	1960	Aug 2024	60	\$6,600,000	\$110,000	\$149.12	\$45,038	\$44,801	\$150,993	\$184,343	A	A

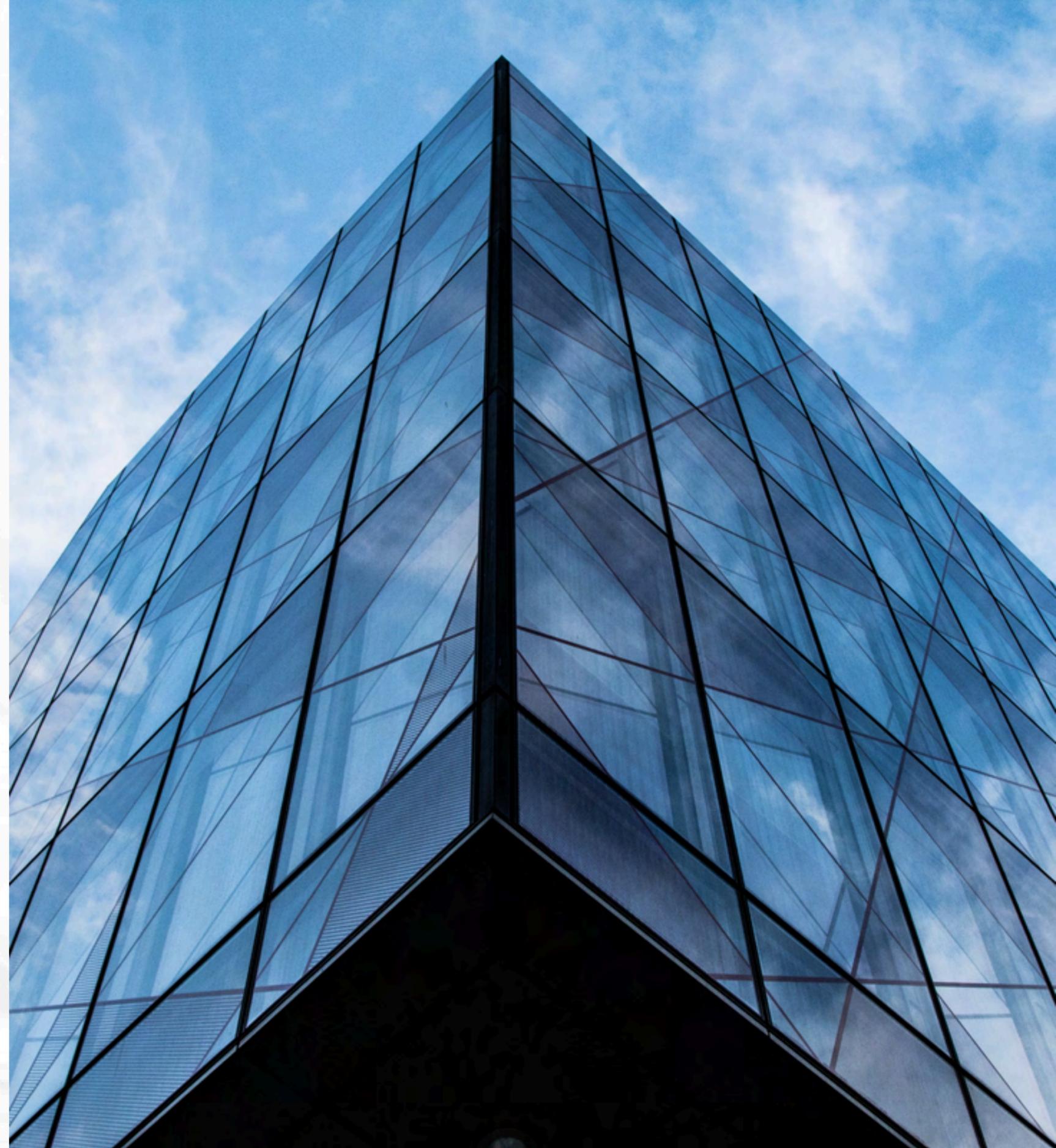
SUPPLY ANALYSIS



Property	Type	Year Built	Distance	AVG SQFT	# of Units	Rent \$/SF	Median HH Income		Median Home Values		School Rankings		
							1 Mile	3 Mile	1 Mile	3 Mile	Elementary	Middle	High
Property 1	MF	June 2025	1.8 Miles	928	271	\$1.32	\$64,960	\$54,757	\$216,438	\$171,601	A	B+	A
Property 2	MF	Oct 2025	2.5 Miles	TBD	92	TBD	\$41,000	\$52,036	\$160,666	\$197,623	A	A-	A

MARKET ANALYSIS

Valencia at Medical



SAN ANTONIO MARKET SUMMARY

Market Overview

San Antonio is the second largest city in Texas, home to almost 2.8 million people across more than 250 square miles. Situated in south-central Texas, the city is one of the fastest growing in the country. Today, it is the seventh most populous city in the United States.

The city is home to a mix of residential neighborhoods, commercial developments, and recreational spaces, appealing to a wide range of residents and investors. San Antonio's real estate market is marked by a balance of affordability and growth potential, making it a popular choice for families, young professionals, and retirees. A large wave of multifamily development continues to bring more housing to the metropolitan area. The city's economy is heavily concentrated in healthcare and bioscience, aerospace, and information technology and cybersecurity. To a lesser extent, clean energy and tourism are also important. Growth in these sectors is critical to ensuring work for a rapidly growing urban area.

Population Growth

The property is located in San Antonio's 78218 ZIP code, which includes neighborhoods like East Terrell Hills and Wilshire Terrace. The local population is approximately 38,000 with a median household income of about \$56,800 and a diverse educational background, with nearly 20% holding a bachelor's degree or higher. Employment in the area is strong, with an employment rate over 64%.

More than half of the housing units are renter-occupied, reflecting strong rental demand, and the rental vacancy rate sits at around 8%, indicating a balanced supply-demand dynamic. While rental rates in this ZIP code are likely below the city average of \$1,897 per month, they still show solid cash flow potential. Though the neighborhood is car-dependent with a low walk score, it benefits from proximity to major highways, providing convenient access to downtown San Antonio and key employment centers.

Industry

The city's economy is heavily concentrated in healthcare and bioscience, aerospace, and information technology and cybersecurity. To a lesser extent, clean energy and tourism are also important. Growth in these sectors is critical to ensuring work for a rapidly growing urban area.

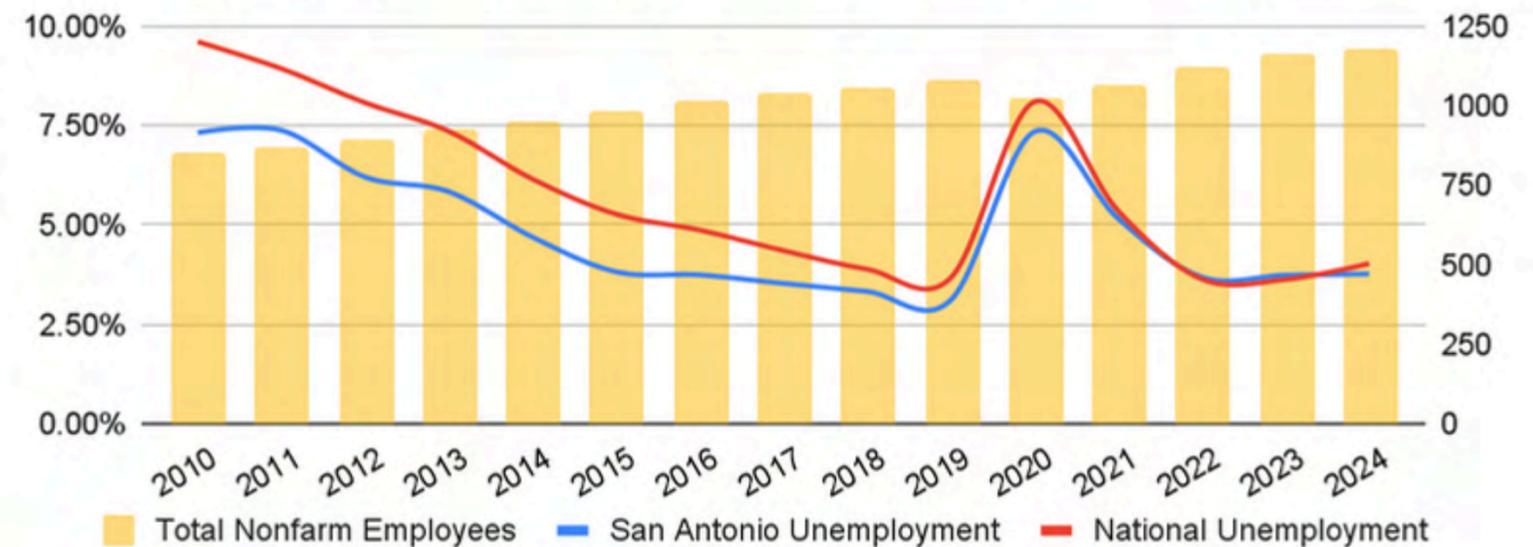
As of November 2024, the unemployment rate in San Antonio was 3.9%, an increase from 3.8% in September 2024 and 3.5% in November 2023. These figures indicate a subtle increase in the unemployment rates in San Antonio, although it remains below the national average. Maintaining job growth to keep up with unprecedented population growth will be a challenge for San Antonio in the coming years.

Local amenities, including schools, shopping, and healthcare services, further enhance its livability. Overall, 78218 is a promising submarket for investors looking for stable returns in an affordable and resilient segment of the San Antonio housing market.

San Antonio MSA Population (Thousands)



Unemployment vs Total Employees (San Antonio MSA)

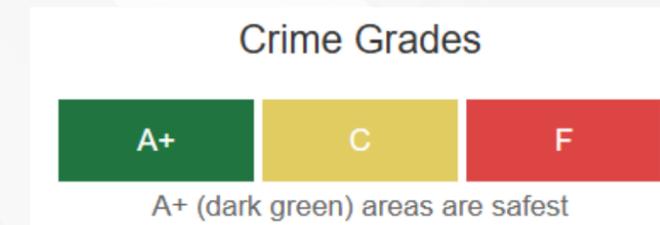
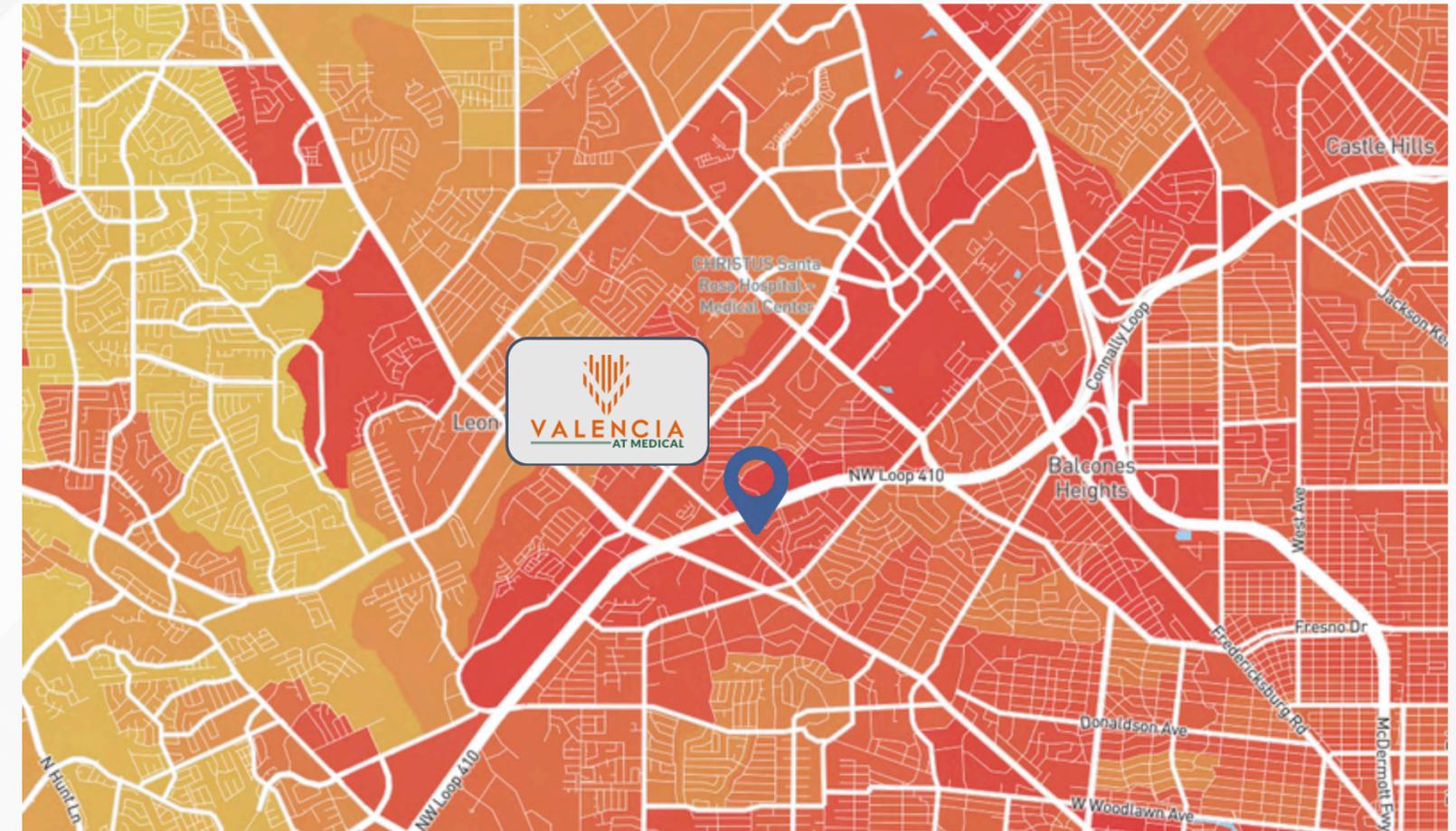


School		Rating	Distance
Elementary	Glen Oaks Elementary School	3/10	0.2 Miles
Middle	Marshall High School	5/10	0.5 Miles
High	Health Careers High School	9/10	0.5 Miles

Summary

Valencia at Medical is located just outside of the I410 loop in San Antonio, in an overall D rated crime area. However, compared to inside the I410 loop which is near exclusively rated F, Valencia is within the Leon Valley submarket which is notably safer than the majority of San Antonio.

The average school ranks at 5.5/10, compared to 3/10 for the school district as a whole. Valencia at Medical is zoned for the 9/10 rated Health Careers High School, which is adjacent to the University Health Hospital, one of the largest employers in the submarket.



Population

San Antonio, TX is a cultural and financial hub with a metro area population of 2,748,181 (2022), experiencing a 1.2% annual population growth rate. The city has a median age of 34.1, slightly younger than the national average, reflecting its appeal to young professionals and families. The median household income in San Antonio is \$74,929, slightly less than the national median income. Cost of living is also below the national average, by about 9%.

	3 Mile	5 Mile	10 Mile
2020 Population	98,391	247,091	894,781
2024 Population	99,656	254,457	293,438
2029 Population Projection	105,938	271,285	986,392
Annual Growth 2020-2024	0.3%	0.7%	0.8%
Annual Growth 2024-2029	1.3%	1.3%	1.4%
Median Age	35.1	35.5	36.7
Bachelor's Degree or Higher	24%	27%	26%
U.S. Armed Forces	2,771	6,328	11,199
U.S. Armed Forces	2,771	6,328	11,199

Households

Within 5 miles of Valencia, population has grown .8% annually since 2020 and is expected to grow 1.3% annually through 2029. Renters account for 45.4% of households within the same five mile radius of Valencia. The median age is 35.5 and 27% of the population within 5 miles has a bachelor's degree or higher.

	3 Mile	5 Mile	10 Mile
2020 Households	37,789	92,417	341,492
2024 Households	38,242	94,990	353,334
2029 Household Projection	40,707	101,390	378,182
Annual Growth 2020-2024	0.7%	0.8%	0.7%
Annual Growth 2024-2029	1.3%	1.3%	1.4%
Renter Owner	19791 20916	55345 46046	203826 174356
Avg Household Income	\$72,123	\$80,831	\$76,979
Median Household Income	\$51,857	\$58841	\$57103
Median Home Value	182499	190873	206281
Median Year Built	1978	1961	1980

MAJOR EMPLOYERS

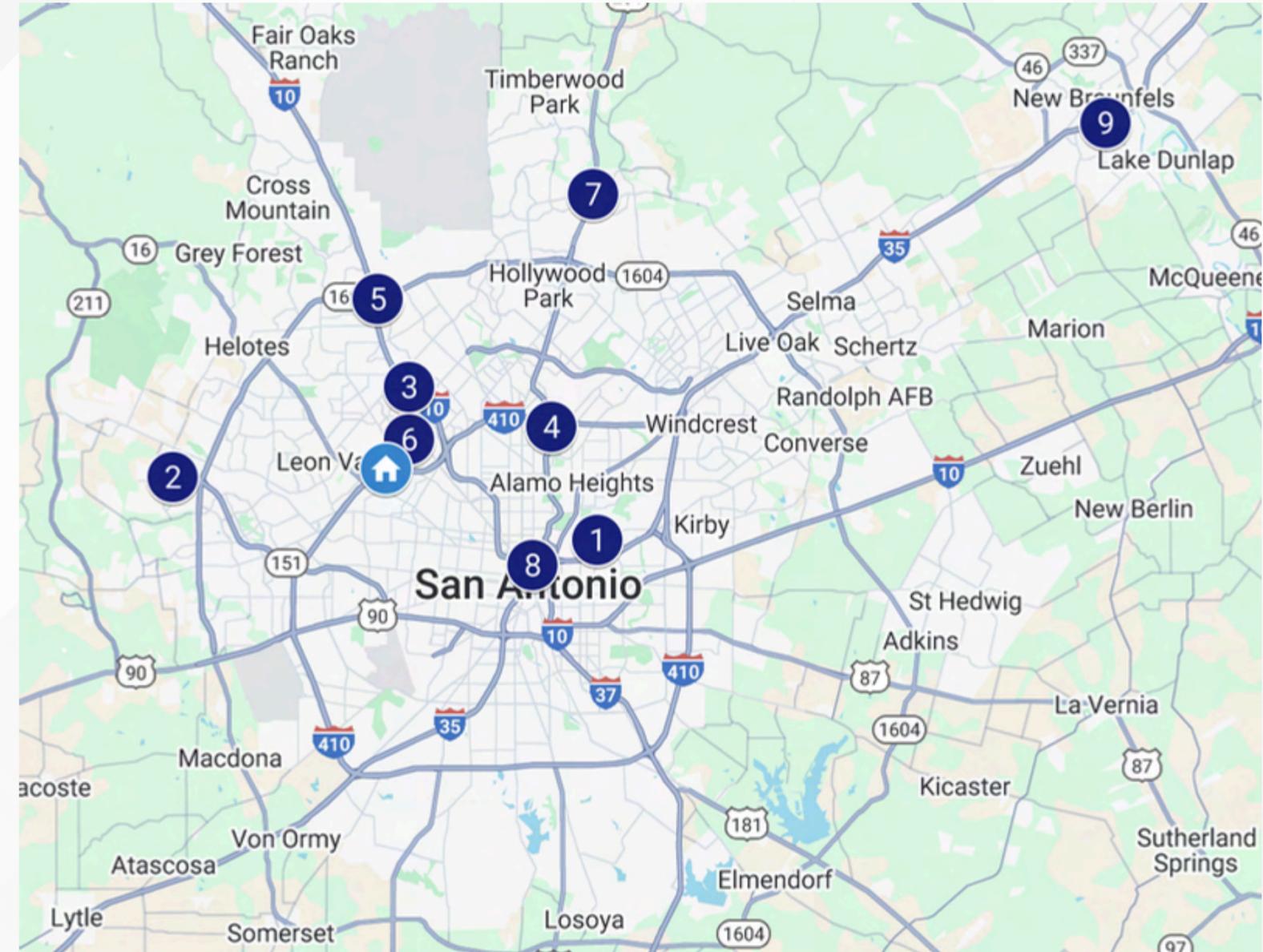
Employer	Industry	Employees
1 Joint Base San Antonio (JBSA)	Government/Military	82,639
2 H-E-B	Retail	27,090
3 USAA	Financial Services	19,000
4 Walmart	Retail	13,750
5 Methodist Healthcare System	Healthcare	12,000
6 University of Texas Health System	Healthcare	11,125
7 iHeart Media	Media/Communications	11,000
8 Baptist Health Systems	Healthcare	7,291
9 Rush Enterprises	Manufacturing	6,000

Recent Announcements

❖ **JCB Inc:** British construction equipment manufacturer JCB announced plans for a new \$500 million, 720,000-square-foot factory on a 400-acre site in San Antonio.

❖ **Toyota Motor Manufacturing Texas:** Toyota continues to be a cornerstone of San Antonio's manufacturing sector. The company announced a \$531 million investment in its San Antonio plant.

❖ **SR Aviation Infrastructure:** In March 2025, SRAI, a subsidiary of SomeraRoad, acquired a 125,000-square-foot, Class A business aviation complex at San Antonio International Airport (SAT).



Summary

San Antonio is expanding its inventory at one of the fastest rates of any major multifamily market in the United States.

The market has an inventory of

The submarket has an inventory of 16,059 units

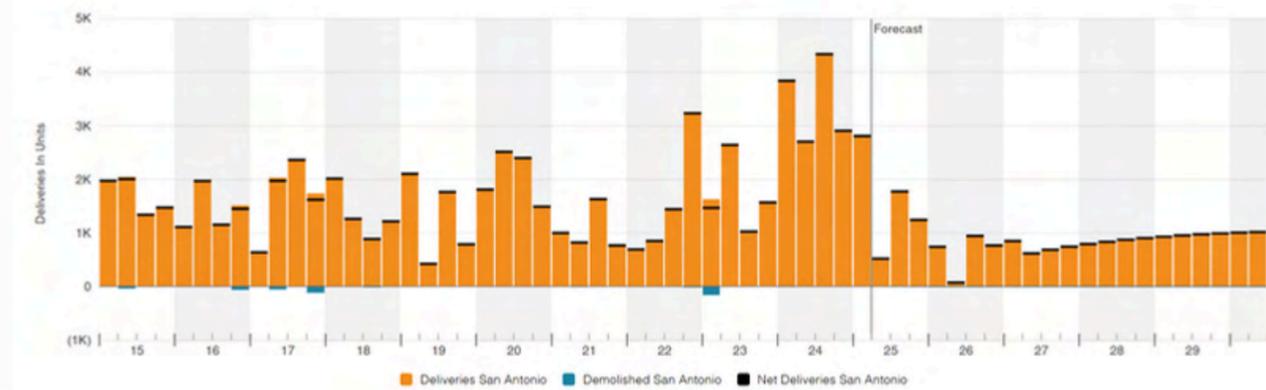
Delivery Schedule

	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2026 Q1	2026 Q2	2026Q3	2026 Q4	2027 Total
Market	2,804	517	1,769	1,240	737	70	941	763	X,XXX
Submarket	65	0	-1	-1	-1	-1	0	0	X,XXX

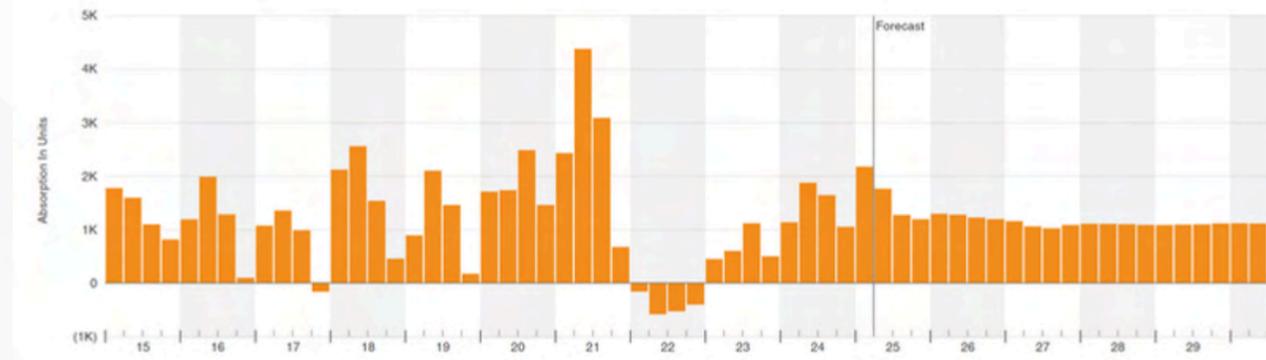
Absorption Schedule

	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Total
Market	2,173	1,760	1,272	1,192	1,293	1,276	1,222	1,193	X,XXX
Submarket	28	-56	-16	-15	-16	-16	-16	-16	X,XXX

DELIVERIES & DEMOLITIONS



ABSORPTION UNITS



ORPTION, NET DELIVERIES & VACANCY



Summary

Average rents are difficult to ascertain without generalizing too much. For example, while the all-submarket average asking rental rate sits at \$1,200 per unit per month in North Central San Antonio, below the metro-wide average, this dynamic is reversed for 4 & 5 Star properties. In the luxury apartment segment, the average asking rent in North Central San Antonio is \$1,730 per

Rent Growth Historical and Projections

	2020-2024	2025	2026	2027	2028	2029	Average
San Antonio	2.8%	-0.86%	2.2%	3.4%	3.5%	3.0%	2.4%
North Central Submarket	2.3%	1.6%	3.1%	3.7%	3.4%	2.9%	2.6%
North Central Submarket 3 Star	2.6%	2.9%	2.9%	3.5%	3.2%	2.8%	2.7%

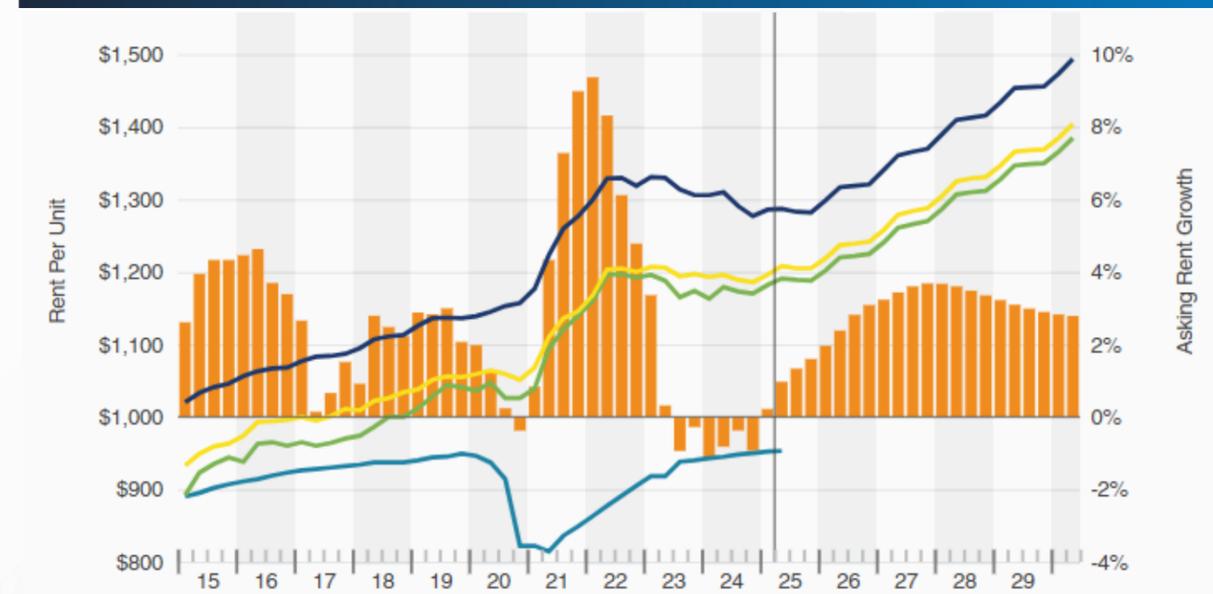
Vacancy

	2020-2024	2025	2026	2027	2028	2029	Average
San Antonio	11.0%	14.3%	13.3%	12.4%	11.8%	11.3%	12.1%
North Central Submarket	13.1%	12.8%	13.2%	13.5%	13.0%	12.5%	13.0%
North Central Submarket 3 Star	12.4%	12.9%	13.3%	13.6%	13.1%	12.6%	12.8%

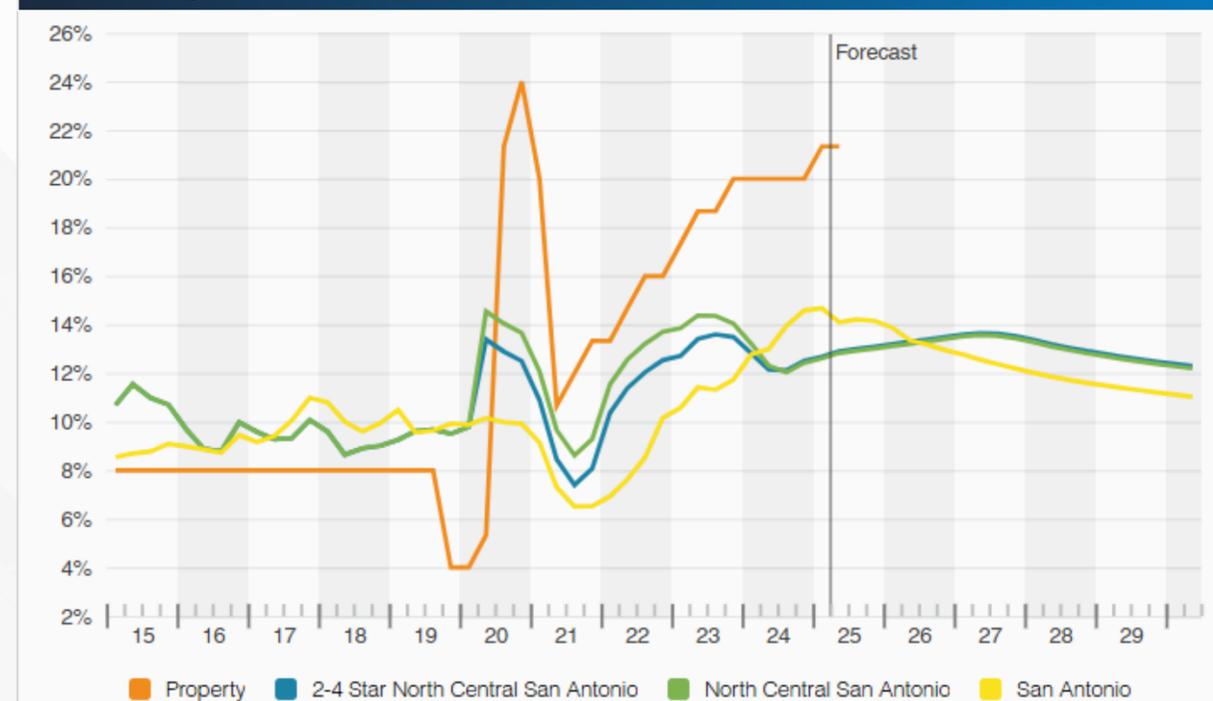
Concessions

	2020-2024	2025	2026	2027	2028	2029	Average
San Antonio	1.4%	1.9%	1.9%	1.9%	1.9%	1.9%	1.7%
North Central Submarket	1.5%	1.3%	1.4%	1.4%	1.4%	1.4%	1.4%
North Central Submarket 3 Star	1.4%	1.1%	1.1%	1.1%	1.1%	1.1%	1.3%

Market Rent Per Unit & Rent Growth



Vacancy Rate



ASSET VALUATION & CAP RATES

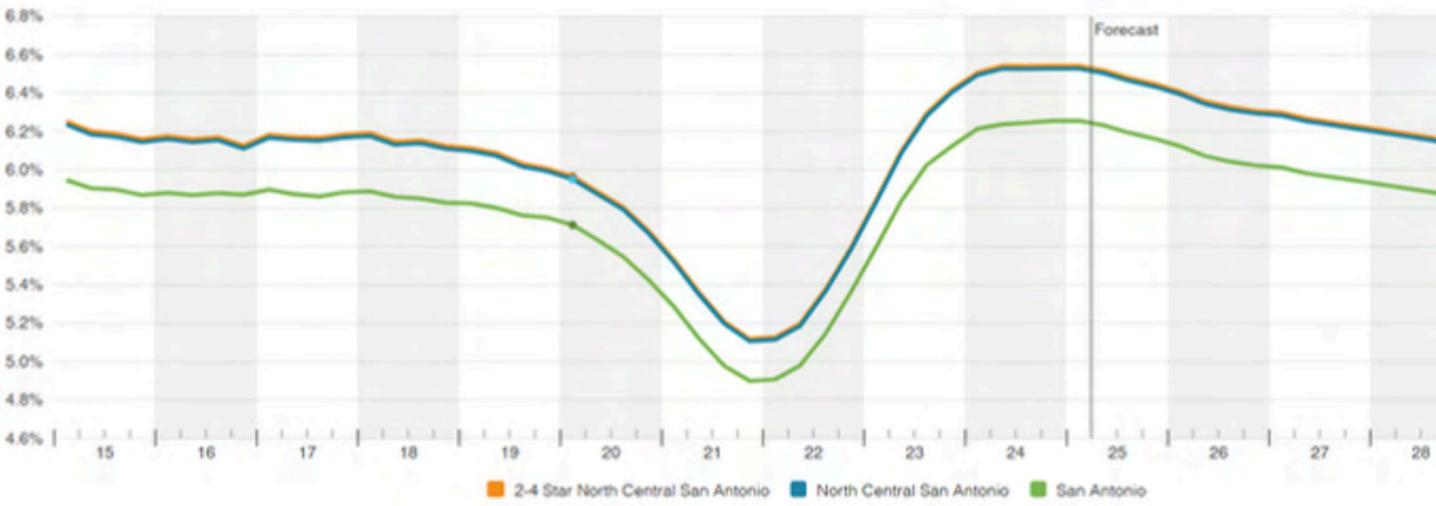
Summary

- ◇ Sales Volume (orange bars) fluctuated significantly, peaking in 2019, 2020, and 2022, with each year surpassing \$60M in total volume.
- ◇ The sharpest drop in volume occurred in 2023, reflecting broader market headwinds such as rising interest rates and economic uncertainty. Both local and metro-wide price trends pulled back slightly in 2023, suggesting a market correction.
- ◇ Sales Volume is expected to remain subdued, with no significant recovery to previous peaks forecasted through 2030.
- ◇ North Central and metro San Antonio suggests strong long-term demand fundamentals despite short-term transactional slowdowns.
- ◇ By 2030, North Central San Antonio prices are projected to exceed \$200K/unit, while San Antonio overall is expected to reach nearly \$180K/unit. North Central San Antonio continues to outperform the broader market on a per-unit basis, reinforcing its position as a high-demand submarket.

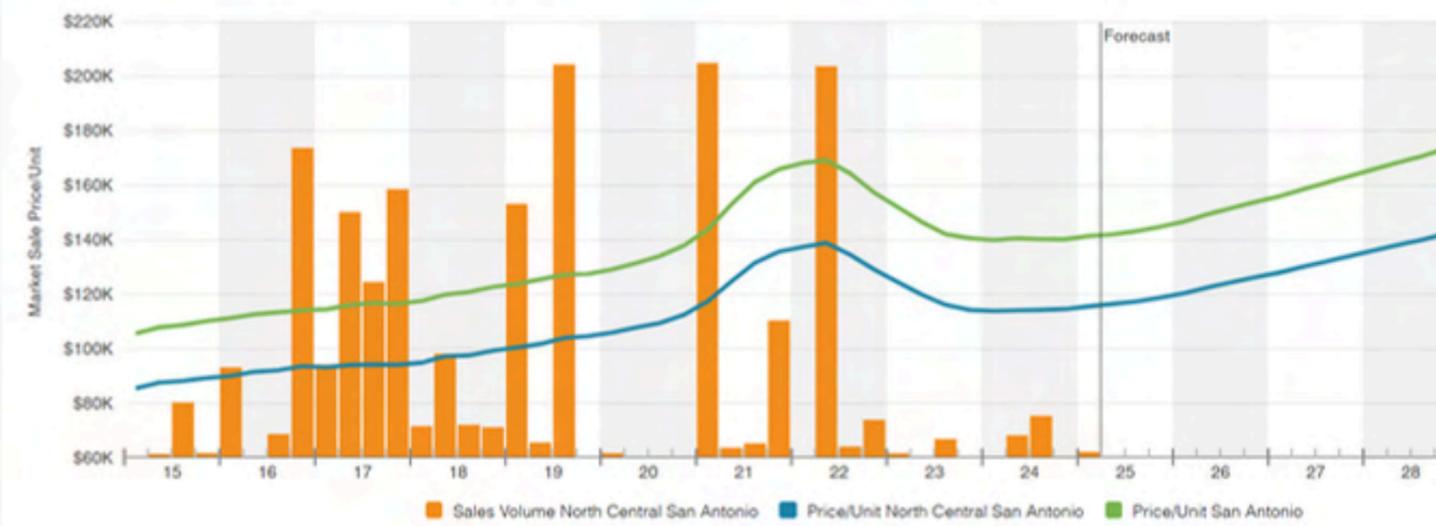
Data

	2020-2024	2025	2026	2027	2028	2029	Average
Price/Unit	\$167k	\$142k	\$151k	\$160k	\$170k	\$181k	\$161.8k
Cap Rates	5.55%	6.3%	6.05%	5.97%	5.89%	5.73%	5.92%

MARKET CAP RATE

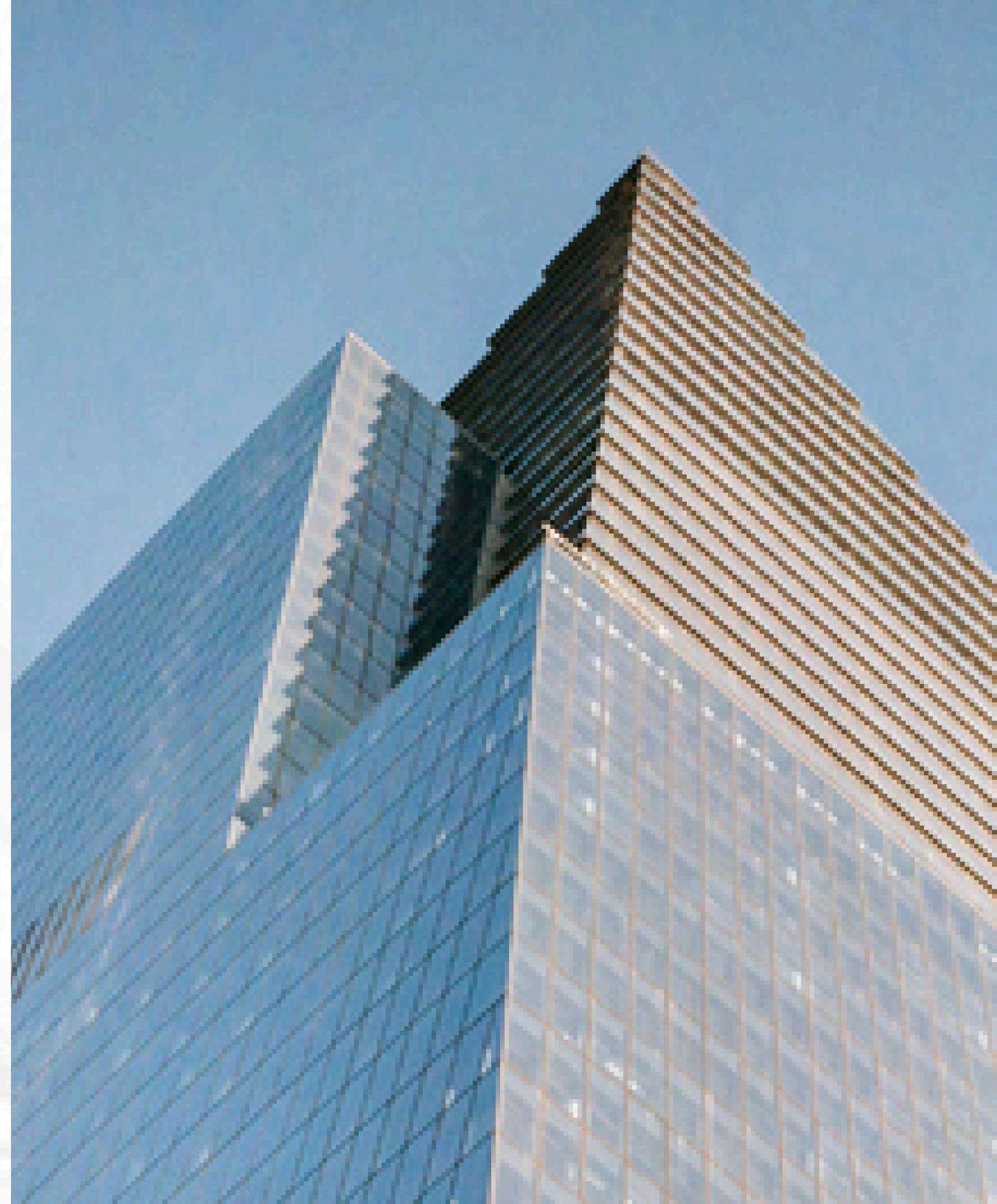


SALES VOLUME & MARKET SALE PRICE PER UNIT



FINANCIAL ANALYSIS

Valencia at Medical

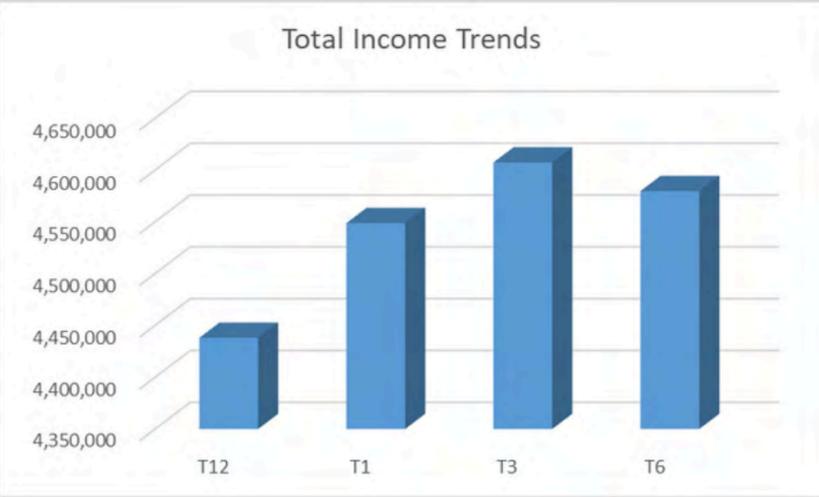
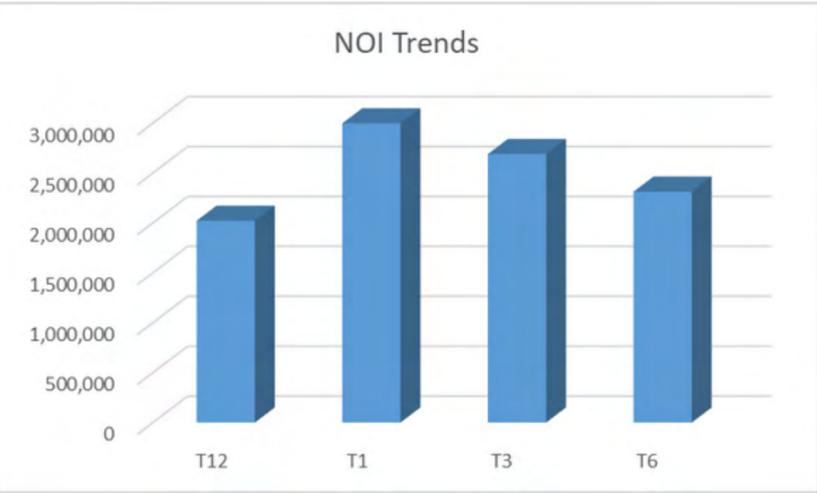


Vacancy & Occupancy Analysis

- ◇ In line with the San Antonio Market as a whole, Valencia at Medical has seen a slight decline in rents in the past 9 months, however this decline has stabilized and new leases are in line month over month with previous leases.
- ◇ Vacancy has declined from a high of 17.97% in March 2024, to 11.00% as of January 2025, with the summer leasing season expected to improve occupancy significantly. We will have the opportunity to verify this with updated financials during due diligence.

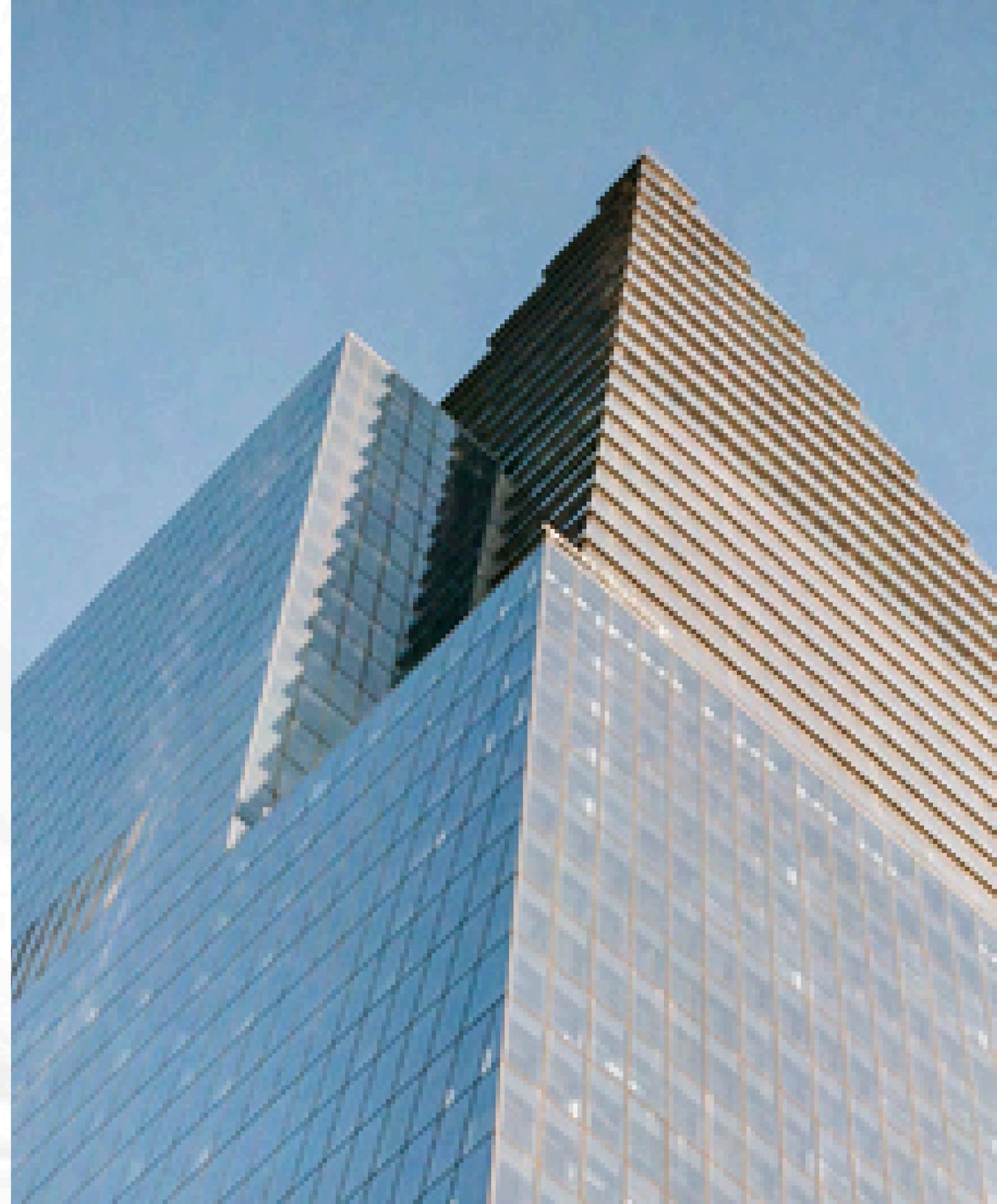
T12 Trends

- ◇ Valencia at Medical has seen NOI improve across the T1 and T3 compared to the T12, reflecting reducing vacancy, improving operations and recovering multifamily market dynamics.



OPERATING ASSUMPTIONS

Valencia at Medical



Closing/DD	
Acquisition Cost Plan	Due Diligence reports: \$77,764 Title Insurance: \$114,812 (.31% of pp) 1% Loan Assumption: \$301,930 Third Party Acquisition Fee: \$365,750 Total: \$860,256
Financing	Base Case: Buyer will assume the in place Freddie Mac loan. The current balance is \$30,193,000, and has ~1.75 years of I/O remaining with the loan expiring on April 1st 2030. The rate is fixed at 4.93%.
Renovation	Valencia at Medical was renovated by prior ownership however Bluestar's UW includes \$1,000 per unit, \$346,000 total, to make strategic upgrades and position Valencia at Medical as a more premium option.
Lease Expirations	13.2% (42 leases) in March 2026 5.0% (16 leases) June 2025
Operation Strategy	
Staffing	The property currently employs a Property Manager, Maintenance supervisor and an unknown number of leasing agents and maintenance techs.
Property Management	Given the unit count of Valencia, the option for any third party manager exists and allows for a competitive selection process.
Lease Up	Valencia is 91.3% occupied as of April, 2025 and will require minimum effort in order to lease up to stabilized.
Target Tenants	Valencia at Medical is proximate to major employers such as USAA and University Health Hospital among others. Employees at these and other firms will be the target tenant for Valencia.

Risks & Mitigants

Market-wide elevated vacancy (14.5%)

- Submarket has limited supply pressure; property already >91% occupied

Aging asset (built 1980)

- Prior renovations + underwritten \$461k for strategic capex

Rent growth stagnation

- Rents are well-below Class A properties; low basis creates room for competitive pricing to drive occupancy

RENT

GENERAL FLOOR PLAN OVERVIEW										PRO FORMA						RENT COMPARISON						
Floor Plan	Floor Plan Name	Renovated	Unit		% of Total		Total SF	Total Beds	Total Baths	Monthly Rent	Rent PSF	All-In Rent Premium	Reno Growth	Market Growth	Monthly Rent Input	T-12 Rent	T-12 Rent		T-3 Rent		Variance to T-12 Rent	Variance to T-3 Rent
			Type	# of Units	Units	Unit Size											PSF	PSF	PSF	PSF		
Totals/Averages				346 Units	100.0%	976 SF	337,574 SF	392 Beds	520 Baths	\$1,117	\$1.15	\$7	\$2	\$6	\$1,117	\$1,118	\$1.15	\$1,110	\$1.14	-0.02%	0.64%	
1x1																						
	A1R	R	A1	38	11.0%	722 SF	27,436 SF	38	38	\$850	\$1.18	-	-\$4	\$4	\$850	\$850	\$1.18	\$850	\$1.18	-	-	
	A2R	R	A2	24	6.9%	774 SF	18,576 SF	24	24	\$900	\$1.16	-\$11	-\$16	\$5	\$900	\$911	\$1.18	\$911	\$1.18	-1.18%	-1.18%	
	A3DR	R	A3	36	10.4%	779 SF	28,044 SF	36	36	\$925	\$1.19	-\$7	-\$12	\$5	\$925	\$949	\$1.22	\$932	\$1.20	-2.54%	-0.74%	
	A4DR	R	A4	36	10.4%	799 SF	28,764 SF	36	36	\$940	\$1.18	\$15	\$10	\$5	\$940	\$943	\$1.18	\$925	\$1.16	-0.36%	1.62%	
	A6LR	R	A5	6	1.7%	1,127 SF	6,762 SF	6	6	\$1,062	\$0.94	-\$137	-\$143	\$6	\$1,062	\$1,174	\$1.04	\$1,199	\$1.06	-9.54%	-11.43%	
2x1																						
	B1R	R	B1	8	2.3%	903 SF	7,224 SF	16	8	\$1,091	\$1.21	\$12	\$7	\$5	\$1,091	\$1,079	\$1.19	\$1,079	\$1.19	1.11%	1.11%	
	B2R	R	B2	12	3.5%	927 SF	11,124 SF	24	12	\$1,125	\$1.21	\$29	\$24	\$5	\$1,125	\$1,114	\$1.20	\$1,096	\$1.18	0.96%	2.61%	
	B3R	R	B3	4	1.2%	967 SF	3,868 SF	8	4	\$1,174	\$1.21	\$15	\$9	\$6	\$1,174	\$1,159	\$1.20	\$1,159	\$1.20	1.29%	1.29%	
2x1.5																						
	B4R	R	C1	16	4.6%	980 SF	15,680 SF	32	24	\$1,096	\$1.12	\$15	\$10	\$5	\$1,096	\$1,116	\$1.14	\$1,081	\$1.10	-1.77%	1.39%	
2x2																						
	B5R	R	D1	32	9.2%	1,010 SF	32,320 SF	64	64	\$1,189	\$1.18	\$15	\$9	\$6	\$1,189	\$1,180	\$1.17	\$1,174	\$1.16	0.71%	1.28%	
	B6R	R	D2	12	3.5%	1,014 SF	12,168 SF	24	24	\$1,104	\$1.09	\$15	\$10	\$5	\$1,104	\$1,130	\$1.11	\$1,089	\$1.07	-2.32%	1.38%	
	B7R	R	D3	12	3.5%	1,032 SF	12,384 SF	24	24	\$1,244	\$1.21	\$15	\$9	\$6	\$1,244	\$1,223	\$1.19	\$1,229	\$1.19	1.71%	1.22%	
	B8R	R	D4	8	2.3%	1,063 SF	8,504 SF	16	16	\$1,274	\$1.20	\$15	\$9	\$6	\$1,274	\$1,260	\$1.19	\$1,259	\$1.18	1.11%	1.19%	
	B9R	R	D5	8	2.3%	1,070 SF	8,560 SF	16	16	\$1,284	\$1.20	\$15	\$9	\$6	\$1,284	\$1,252	\$1.17	\$1,269	\$1.19	2.53%	1.18%	
	ASLR	R	D6	6	1.7%	1,086 SF	6,516 SF	12	12	\$1,077	\$0.99	\$15	\$10	\$5	\$1,077	\$1,037	\$0.95	\$1,062	\$0.98	3.89%	1.41%	
	B10R	R	D7	16	4.6%	1,089 SF	17,424 SF	32	32	\$1,292	\$1.19	\$15	\$9	\$6	\$1,292	\$1,272	\$1.17	\$1,277	\$1.17	1.52%	1.18%	
	B11R	R	D8	16	4.6%	1,107 SF	17,712 SF	32	32	\$1,314	\$1.19	\$15	\$9	\$6	\$1,314	\$1,294	\$1.17	\$1,299	\$1.17	1.55%	1.15%	
	B12R	R	D9	16	4.6%	1,223 SF	19,568 SF	32	32	\$1,354	\$1.11	\$15	\$8	\$7	\$1,354	\$1,336	\$1.09	\$1,339	\$1.09	1.34%	1.12%	
3x2																						
	C1R	R	E1	20	5.8%	1,293 SF	25,860 SF	60	40	\$1,514	\$1.17	\$15	\$8	\$7	\$1,514	\$1,500	\$1.16	\$1,499	\$1.16	0.94%	1.00%	
	B13DLR	R	E2	20	5.8%	1,454 SF	29,080 SF	60	40	\$1,399	\$0.96	\$15	\$8	\$7	\$1,399	\$1,406	\$0.97	\$1,384	\$0.95	-0.49%	1.08%	

REVENUE PROJECTIONS

	T-3 Inc / T-12 Exp		Year 1
Physical Occupancy	89.0%		92.0%
Economic Occupancy	85.5%		89.3%
Revenue			
Gross Potential Rent	\$4,558,113	\$1,098	\$4,641,911
Less: Loss to Lease	\$69,438	1.5%	(\$39,607)
Total Potential Rent	\$4,627,551	\$1,115	\$4,602,305
Less: Vacancy Loss	(\$502,764)	-11.0%	(\$368,184)
Less: Non-Revenue Units	(\$15,228)	-0.3%	(\$13,500)
Less: Down Units	-	-	-
Less: Collection Loss	(\$66,184)	-1.5%	(\$74,097)
Less: Concessions - Upfront	(\$76,227)	-1.7%	-
Less: Concessions - Recurring	-	-	-
Less: Employee Units	-	-	-
Total Losses	(\$660,402)	-14.5%	(\$455,781)
Net Rental Income	\$3,967,148	\$955	\$4,146,523

	Year 2	Year 3	Year 4	Year 5
Physical Occupancy	93.0%	94.0%	94.0%	94.0%
Economic Occupancy	91.0%	91.0%	92.2%	92.2%
Revenue				
Gross Potential Rent	\$4,712,748	\$4,845,056	\$4,992,423	\$5,144,272
Less: Loss to Lease	(\$4,439)	(\$65,708)	(\$5,628)	(\$5,799)
Total Potential Rent	\$4,708,309	\$4,779,347	\$4,986,794	\$5,138,473
Less: Vacancy Loss	(\$329,582)	(\$286,761)	(\$299,208)	(\$308,308)
Less: Non-Revenue Units	(\$13,838)	(\$14,253)	(\$14,680)	(\$15,121)
Less: Down Units	-	-	-	-
Less: Collection Loss	(\$76,628)	(\$67,389)	(\$70,314)	(\$72,452)
Less: Concessions - Upfront	-	-	-	-
Less: Concessions - Recurring	-	-	-	-
Less: Employee Units	-	-	-	-
Total Losses	(\$420,047)	(\$368,402)	(\$384,202)	(\$395,881)
Net Rental Income	\$4,288,262	\$4,410,945	\$4,602,593	\$4,742,591
Net Other Income	\$654,884	\$681,868	\$702,324	\$723,394
Effective Gross Income	\$4,943,146	\$5,092,813	\$5,304,917	\$5,465,985

Income

Rent Type Market rent

Other Income

RUBS	Valencia currently has RUBS for Pest, Trash, Electric and Water/Sewer
Application Fees	Assumed to continue at in place total amount. Will find exact pricing during due diligence.
Admin Fee	Assumed to continue at in place total amount. Will find exact pricing during due diligence.
Security Deposit	Assumed to continue at in place total amount. Will find exact pricing during due diligence.
Trash	\$12 per unit per month
Covered Parking	Assumed to continue at in place total amount. Will find exact pricing during due diligence.

Collection Analysis

Mark to Market	\$15 Mark to Market underwritten
Vacancy Loss	Currently 91.3% occupied. Year 1 vacancy underwritten at 8%, then reducing to 7% and stabilizing at 6% over the following two years.
Loss to Lease	Rents are not being raised significantly. Loss to lease is minimal through all 9 years due to conservative 0%-3% rent growth estimates.
Collection Loss	Collection loss is 1.75% in year 1 and drops to 1.5% by year 3.
Concessions	Given the 91.3% occupancy, minimal concessions are expected however a \$15,000 catch all is underwritten in case of leasing difficulty.
Retention Ratio	Retention ratio is 50% for the first 4 years, before rising to 55% in years 5 and beyond.

OPERATING EXPENSE PROJECTIONS

Payroll	\$434,336	\$1,255	\$484,033
Marketing & Advertising	\$54,242	\$157	\$87,123
General & Administrative	\$123,678	\$357	\$139,085
Repairs & Maintenance	\$89,552	\$259	\$95,734
Service Contracts	\$77,992	\$225	\$79,552
Make Ready & Turn Costs	\$162,876	\$471	\$129,750
Utilities	\$444,453	\$1,285	\$453,342
Management Fee	\$129,979	\$376	\$143,282
Property Taxes	\$634,474	\$1,834	\$769,858
Insurance	\$264,355	\$764	\$269,642
Total Operating Expenses	\$2,415,939	\$6,982	\$2,651,402
OPEX Ratio	52.4%		55.5%
Net Operating Income	\$2,191,294	\$6,333	\$2,124,656
Capital Improvements	\$88,230		\$86,500
Debt Service			\$1,488,515
Asset Management Fee			-
Owner Paid Expense			-
Anticipated Operating Deficit Reserve			-

Expenses	T-3 Inc / T-12 Exp		Year 2	Year 3	Year 4	Year 5
Payroll	\$434,336	\$1,255	\$493,714	\$503,588	\$513,660	\$523,933
Marketing & Advertising	\$54,242	\$157	\$88,866	\$90,643	\$92,456	\$94,305
General & Administrative	\$123,678	\$357	\$141,867	\$144,704	\$147,598	\$150,550
Repairs & Maintenance	\$89,552	\$259	\$97,648	\$99,601	\$101,593	\$103,625
Service Contracts	\$77,992	\$225	\$81,143	\$82,766	\$84,421	\$86,110
Make Ready & Turn Costs	\$162,876	\$471	\$132,345	\$134,992	\$137,692	\$126,401
Utilities	\$444,453	\$1,285	\$462,409	\$471,657	\$481,090	\$490,712
Management Fee	\$129,979	\$376	\$148,294	\$152,784	\$159,148	\$163,980
Property Taxes	\$634,474	\$1,834	\$774,872	\$783,247	\$791,699	\$800,178
Insurance	\$264,355	\$764	\$275,035	\$280,536	\$286,147	\$291,869
Total Operating Expenses	\$2,415,939	\$6,982	\$2,696,194	\$2,744,520	\$2,795,504	\$2,831,664
OPEX Ratio	52.4%		54.5%	53.9%	52.7%	51.8%
Net Operating Income	\$2,191,294	\$6,333	\$2,246,952	\$2,348,293	\$2,509,413	\$2,634,321
Capital Improvements	\$88,230		\$88,230	\$89,995	\$91,794	\$93,630
Debt Service			\$1,598,766	\$1,929,520	\$1,929,520	\$1,991,177
Asset Management Fee			-	-	-	-
Owner Paid Expense			-	-	-	-
Anticipated Operating Deficit Reserve			-	-	-	-
HUD PMI			-	-	-	-
Net Cash Flow			\$559,956	\$328,779	\$488,099	\$549,514

Controllable Operating Expenses

Payroll	1 property manager, 1 assistant manager, 1 leasing consultant, 1 maintenance supervisor, 2 technicians and 1 porter. Total payroll burden of \$484k or \$1,400 per unit.
Marketing	\$250 per unit. \$15k lease up and marketing incentive capitalized and will help drive traffic to Valencia
G&A	\$400 per unit.
Repairs & Maintenance	\$275 per unit.
Service Contracts	\$230 per unit. Bluestar is underwriting the continuation of in place contracts at in place prices.
Make Ready	\$750 per unit turn.

Non-Controllable Operating Expenses

Management Fee	3% of EGI. This is in line with current management agreement.
Property Taxes	Valencia is expected to be assessed from the current value of \$30,500,000 to ~\$33mm. Taxes are expected to increase from \$634k to \$775k.
Insurance	\$779 per unit.

Collection Assumptions

Year	2025	2026	2027	2028	2029	2030	2030+
Physical Vacancy	8.00%	7.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Loss to Lease	minimal						
Collection Loss	1.75%	1.75%	1.50%	1.50%	1.50%	1.50%	1.50%
Concessions (Months)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Annual Resident Retention Ratio	50.00%	50.00%	50.00%	50.00%	55.00%	55.00%	55.00%

Growth Rates

Year	2025	2026	2027	2028	2029	2030	2030+
Rent Growth	0.50%	2.50%	3.00%	3.00%	3.00%	3.00%	3.00%
Expense Growth	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Tax Growth	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

OPERATING CASH FLOWS

	T-3 Inc / T-12 Exp		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	
Revenue												
Gross Potential Rent	\$4,558,113	\$1,098	\$4,641,911	\$1,118	\$4,712,748	\$4,845,056	\$4,992,423	\$5,144,272	\$5,300,740	\$5,461,967	\$5,628,098	\$5,799,282
Less: Loss to Lease	\$69,438	1.5%	(\$39,607)	-0.9%	(\$4,439)	(\$65,708)	(\$5,628)	(\$5,799)	(\$5,976)	(\$6,372)	(\$7,178)	(\$8,404)
Total Potential Rent	\$4,627,551	\$1,115	\$4,602,305	\$1,108	\$4,708,309	\$4,779,347	\$4,986,794	\$5,138,473	\$5,294,764	\$5,455,595	\$5,620,920	\$5,790,878
Less: Vacancy Loss	(\$502,764)	-11.0%	(\$368,184)	-7.9%	(\$329,582)	(\$286,761)	(\$299,208)	(\$308,308)	(\$317,686)	(\$327,336)	(\$337,255)	(\$347,453)
Less: Non-Revenue Units	(\$15,228)	-0.3%	(\$13,500)	-0.3%	(\$13,838)	(\$14,253)	(\$14,680)	(\$15,121)	(\$15,574)	(\$16,041)	(\$16,523)	(\$17,018)
Less: Down Units	-	-	-	-	-	-	-	-	-	-	-	-
Less: Collection Loss	(\$66,184)	-1.5%	(\$74,097)	-1.6%	(\$76,628)	(\$67,389)	(\$70,314)	(\$72,452)	(\$74,656)	(\$76,924)	(\$79,255)	(\$81,651)
Less: Concessions - Upfront	(\$76,227)	-1.7%	-	-	-	-	-	-	-	-	-	-
Less: Concessions - Recurring	-	-	-	-	-	-	-	-	-	-	-	-
Less: Employee Units	-	-	-	-	-	-	-	-	-	-	-	-
Total Losses	(\$660,402)	-14.5%	(\$455,781)	-9.8%	(\$420,047)	(\$368,402)	(\$384,202)	(\$395,881)	(\$407,916)	(\$420,301)	(\$433,033)	(\$446,122)
Net Rental Income	\$3,967,148	\$955	\$4,146,523	\$999	\$4,288,262	\$4,410,945	\$4,602,593	\$4,742,591	\$4,886,848	\$5,035,294	\$5,187,887	\$5,344,756
Net Other Income	\$640,084	\$1,850	\$629,535	\$1,819	\$654,884	\$681,868	\$702,324	\$723,394	\$745,096	\$767,449	\$790,472	\$814,187
Effective Gross Income	\$4,607,232	\$13,316	\$4,776,058	\$13,804	\$4,943,146	\$5,092,813	\$5,304,917	\$5,465,985	\$5,631,944	\$5,802,742	\$5,978,360	\$6,158,942
Expenses												
Payroll	\$434,336	\$1,255	\$484,033	\$1,399	\$493,714	\$503,588	\$513,660	\$523,933	\$534,412	\$545,100	\$556,002	\$567,122
Marketing & Advertising	\$54,242	\$157	\$87,123	\$252	\$88,866	\$90,643	\$92,456	\$94,305	\$96,191	\$98,115	\$100,077	\$102,079
General & Administrative	\$123,678	\$357	\$139,085	\$402	\$141,867	\$144,704	\$147,598	\$150,550	\$153,561	\$156,633	\$159,765	\$162,961
Repairs & Maintenance	\$89,552	\$259	\$95,734	\$277	\$97,648	\$99,601	\$101,593	\$103,625	\$105,698	\$107,812	\$109,968	\$112,167
Service Contracts	\$77,992	\$225	\$79,552	\$230	\$81,143	\$82,766	\$84,421	\$86,110	\$87,832	\$89,589	\$91,380	\$93,208
Make Ready & Turn Costs	\$162,876	\$471	\$129,750	\$375	\$132,345	\$134,992	\$137,692	\$126,401	\$128,929	\$131,508	\$134,138	\$136,821
Utilities	\$444,453	\$1,285	\$453,342	\$1,310	\$462,409	\$471,657	\$481,090	\$490,712	\$500,526	\$510,537	\$520,747	\$531,162
Management Fee	\$129,979	\$376	\$143,282	\$414	\$148,294	\$152,784	\$159,148	\$163,980	\$168,958	\$174,082	\$179,351	\$184,768
Property Taxes	\$634,474	\$1,834	\$769,858	\$2,225	\$774,872	\$783,247	\$791,699	\$800,178	\$808,765	\$817,460	\$826,265	\$821,918
Insurance	\$264,355	\$764	\$269,642	\$779	\$275,035	\$280,536	\$286,147	\$291,869	\$297,707	\$303,661	\$309,734	\$315,929
Total Operating Expenses	\$2,415,939	\$6,982	\$2,651,402	\$7,663	\$2,696,194	\$2,744,520	\$2,795,504	\$2,831,664	\$2,882,579	\$2,934,496	\$2,987,429	\$3,028,135
OPEX Ratio	52.4%		55.5%		54.5%	53.9%	52.7%	51.8%	51.2%	50.6%	50.0%	49.2%
Net Operating Income	\$2,191,294	\$6,333	\$2,124,656	\$6,141	\$2,246,952	\$2,348,293	\$2,509,413	\$2,634,321	\$2,749,364	\$2,868,247	\$2,990,931	\$3,130,807
Capital Improvements	\$88,230		\$86,500		\$88,230	\$89,995	\$91,794	\$93,630	-	-	-	-
Debt Service			\$1,488,515		\$1,598,766	\$1,929,520	\$1,929,520	\$1,991,177	\$2,176,149	\$2,176,149	\$2,176,149	\$2,176,149
Asset Management Fee			-		-	-	-	-	-	-	-	-
Owner Paid Expense			-		-	-	-	-	-	-	-	-
Anticipated Operating Deficit Reserve			-		-	-	-	-	-	-	-	-
HUD PMI			-		-	-	-	-	-	-	-	-
Net Cash Flow			\$549,641		\$559,956	\$328,779	\$488,099	\$549,514	\$573,215	\$692,097	\$814,782	\$954,658

FINANCIALS

Valencia at Medical



Return Metrics	
Year 1 ROC	5.57%
Acquisition Cap Rate	5.81%
Spread	-.24%
Unlevered Levered IRR	9.79% 20.02%
Levered Equity Multiple	3.71x
Levered CoC	7.73% 10-year average
Equity Debt	\$7,921,139 \$30,193,000
Exit Valuation Proceeds	\$49,201,365 \$23,045,166

Debt Terms & Assumptions	Assumable Loan	Refinance
Loan Sources	Freddie Mac	Agency
Loan Type	I/O & Amortized	Amortized
Interest Rate	4.93%	7.00%
DSCR	1.25x	1.25x
Type	Freddie Mac	Agency
Term	10 Year	30 Year
Amortization	30 Year	30 Year
LTC or LTV	79.22% LTC	75% LTV
Annual Debt Service	\$1,598,766 I/O \$1,929,520 Amortizing	\$2,176,149 Amortizing
Net Cash Flow	\$549,641 (year 1 I/O) \$328,779 (year 3 Am)	\$573,215 (Year 6 Am)

Exit Analysis	
T12 NOI at Exit	\$3,198,089
Cap Rate	6.5%
Gross Sale Proceeds	\$49,201,365 (\$142,200)
Less Exit Costs (Include a dispo)	\$350,000
Less Prepayment Penalty	\$0
Net Sale Proceeds	\$48,851,365
Less: Outstanding Debt	\$25,806,199
Net Residual Proceeds	\$23,045,166

SOURCES				
Equity Capital	Party	\$ Amount	% Equity	% Total
LP Equity		\$7,921,139	100.00%	20.78%
GP Equity		-	-	-
Pref Equity		-	-	-
Total Equity		\$7,921,139	100.00%	20.78%
Debt Financing		\$ Amount	% Debt	% Total
Senior Loan - At Closing		\$30,193,000	79.22%	79.22%
Senior Loan - Future Funding		-	-	-
Gross Loan Proceeds		\$30,193,000	79.22%	79.22%
TOTAL SOURCES		\$38,114,139		
USES				
Acquisition Costs		\$ Amount	\$ / Unit	% Total
Purchase Price		\$36,575,000	\$105,708	95.96%
Hard Costs		\$461,000	\$1,332	1.21%
Construction Management Fee		-	-	-
Hard Cost Contingency		-	-	-
General Requirements		-	-	-
Third Party Reports		\$77,764	\$225	0.20%
Legal / Accounting / Closing Costs		\$124,812	\$361	0.33%
Financing		\$301,930	\$873	0.79%
Soft Cost Contingency		\$25,000	\$72	0.07%
Acquisition Fee		\$365,750	\$1,057	0.96%
Funding of Reserves		\$182,884	\$529	0.48%
TOTAL USES AT CLOSING		\$38,114,139	\$110,156	100.00%

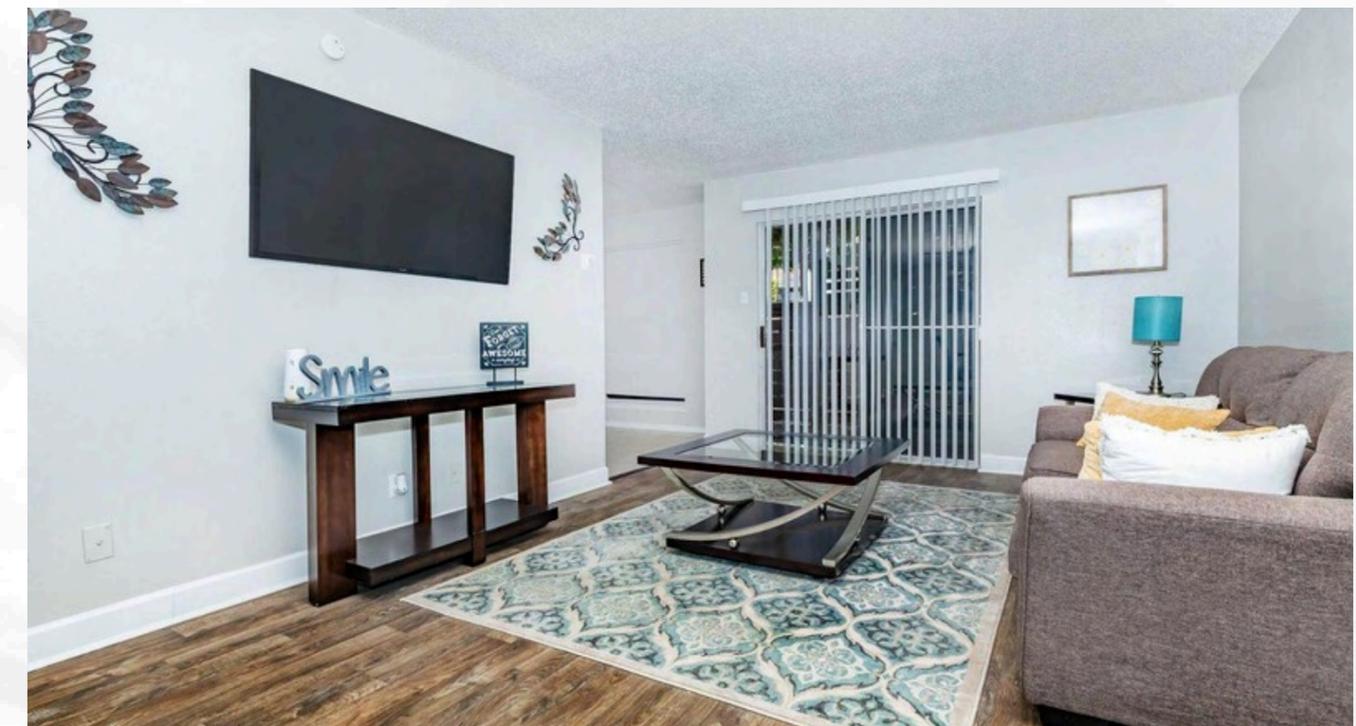
RENO BUDGET

Uses	\$/Units	Quantity	Total Costs
General Exterior Allowance	N/A	N/A	\$50,000
General Landscaping Allowance	N/A	N/A	\$25,000
Interior Allowance	\$1,000	346	\$346,000
General Amenity Allowance	N/A	N/A	\$10,000
Quick Wins	N/A	N/A	\$15,000
Lease Up and Marketing	N/A	N/A	\$15,000
Total	N/A	N/A	\$461,000



Notes

Valencia at Medical, while renovated, is still a 1980's building and is lacking modern amenities and unit features such as a dog park or pendant lighting. Bluestar has allocated money for general improvements around the property.



LEVERED CASH FLOWS

Summarized Annual Income Statement	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
Revenue									
Gross Potential Rent	\$4,641,911	\$4,712,748	\$4,845,056	\$4,992,423	\$5,144,272	\$5,300,740	\$5,461,967	\$5,628,098	\$5,799,282
Less: Loss to Lease	(\$39,607)	(\$4,439)	(\$65,708)	(\$5,628)	(\$5,799)	(\$5,976)	(\$6,372)	(\$7,178)	(\$8,404)
Less: Total Losses	(\$455,781)	(\$420,047)	(\$368,402)	(\$384,202)	(\$395,881)	(\$407,916)	(\$420,301)	(\$433,033)	(\$446,122)
Other Income	\$629,535	\$654,884	\$681,868	\$702,324	\$723,394	\$745,096	\$767,449	\$790,472	\$814,187
Effective Gross Income	\$4,776,058	\$4,943,146	\$5,092,813	\$5,304,917	\$5,465,985	\$5,631,944	\$5,802,742	\$5,978,360	\$6,158,942
Expenses									
Total Variable Expenses	\$1,611,902	\$1,646,287	\$1,680,737	\$1,717,659	\$1,739,617	\$1,776,108	\$1,813,375	\$1,851,429	\$1,890,288
Total Fixed Expenses	\$1,039,500	\$1,049,907	\$1,063,783	\$1,077,845	\$1,092,047	\$1,106,471	\$1,121,121	\$1,135,999	\$1,137,847
Total Operating Expenses	\$2,651,402	\$2,696,194	\$2,744,520	\$2,795,504	\$2,831,664	\$2,882,579	\$2,934,496	\$2,987,429	\$3,028,135
Net Operating Income	\$2,124,656	\$2,246,952	\$2,348,293	\$2,509,413	\$2,634,321	\$2,749,364	\$2,868,247	\$2,990,931	\$3,130,807
Capital Improvements	\$86,500	\$88,230	\$89,995	\$91,794	\$93,630				
Debt Service	\$1,488,515	\$1,598,766	\$1,929,520	\$1,929,520	\$1,991,177	\$2,176,149	\$2,176,149	\$2,176,149	\$2,176,149
Asset Management Fee	-	-	-	-	-	-	-	-	-
Owner Paid Expense	-	-	-	-	-	-	-	-	-
Anticipated Operating Deficit Reserve	-	-	-	-	-	-	-	-	-
HUD PMI	-	-	-	-	-	-	-	-	-
Cash Flow After Debt Service	\$549,641	\$559,956	\$328,779	\$488,099	\$549,514	\$573,215	\$692,097	\$814,782	\$954,658
DSCR	1.43x	1.41x	1.22x	1.30x	1.32x	1.26x	1.32x	1.37x	1.44x
Deal Annual Return Metrics									
Cash on Cash Return (CFADS / Initial Equity)	6.94%	7.07%	4.15%	6.16%	6.94%	7.24%	8.74%	10.29%	12.05%
Cash on Cash Return (CFADS / Outstanding Equity)	6.94%	7.07%	4.15%	6.16%	6.44%	6.72%	8.11%	9.55%	11.19%
Return on Cost	5.57%	5.90%	6.16%	6.58%	6.91%	7.21%	7.53%	7.85%	8.21%
Acquisition Cap Rate (F12/F12)	5.81%	6.14%	6.42%	6.86%	7.20%	7.52%	7.84%	8.18%	8.56%

Purchase Price & IRR Sensitivity

Purchase Price Per Unit				
85%	90%	95%	100%	105%
\$ 94,581	\$ 100,145	\$ 105,708	\$ 111,272	\$ 116,835
31.80%	22.82%	17.20%	13.14%	9.96%

Purchase Price & LTC Sensitivity

Purchase Price Per Unit				
85%	90%	95%	100%	105%
\$ 94,581	\$ 100,145	\$ 105,708	\$ 111,272	\$ 116,835
88.25%	83.49%	79.22%	75.36%	71.86%

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