

LOCKHILL HACIENDA APARTMENTS

10806 BALTIC ST | SAN ANTONIO, TX 78213

OFFERING MEMORANDUM

MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES



TABLE OF CONTENTS

03 PROPERTY OVERVIEW

06 FINANCIAL OVERVIEW

13 AREA OVERVIEW

LISTED BY:



ANDREW KOPENEC

ASSOCIATE, MULTIFAMILY

DIRECT (512) 535-1438

MOBILE (817) 889-4950

andrew.kopeneck@matthews.com

License No. 746316 (TX)



TYLER MARSHALL

AVP & ASSOCIATE DIRECTOR

DIRECT (512) 361-1305

MOBILE (972) 765-3805

tyler.marshall@matthews.com

License No. 9003950 (TX)

PATRICK GRAHAM

BROKER OF RECORD

License No. 528005 (TX)



PROPERTY OVERVIEW



SUBJECT PROPERTY

±11.4 MI

SAN ANTONIO, TX

3

LIST PRICE	\$3,500,000
ADDRESS	10806 Baltic St San Antonio, TX 78213
NUMBER OF UNITS	48
YEAR BUILT	1974
APN	11725-009-0071, 11721-005-0201
BUILDING SF	±36,190 SF
AVERAGE S.F. PER UNIT	±754 SF
LOT SIZE (ACRES)	±2.51 AC

PROPERTY HIGHLIGHTS

Rents SIGNIFICANTLY below market (\$300+)

Same ownership for 17+ years

1, 2, and 3 bed floor plans

Great proximity to nearby restaurants, retail, and schools

Utility bill-back opportunity with individually metered electricity

Over 2.5 acres in the heart of Castle Hills

Office on-site





FINANCIAL OVERVIEW





\$3,500,000
LIST PRICE



\$72,917
PRICE PER UNIT



\$96.71
PRICE PER SF

UNIT MIX & SCHEDULED INCOME

TOTAL UNITS	UNIT MIX	UNIT MIX %	CURRENT AVG RENT	CURRENT MONTHLY RENT	MARKET RENT	MARKET MONTHLY RENT
26	1+1	54%	\$711	\$15,650	\$900	\$23,400
2	2+1.5	4%	\$805	\$1,610	\$1,100	\$2,200
18	2+2	38%	\$842	\$13,475	\$1,182	\$21,275
2	3+2	4%	\$1,035	\$2,070	\$1,300	\$2,600
Average:				\$32,805		\$49,125
Total:				\$393,660		\$589,500

ANNUAL OPERATING SUMMARY

	TOTAL	PER UNIT	PROFORMA	PER UNIT
Gross Potential Rent	\$390,754		\$589,500	<i>Market Rent</i>
Other Income	\$6,740	\$140	\$7,181	\$150
Utility Reimbursement(Water/Trash/Other)	\$0	\$0	\$26,085	\$543
Gross Operating Income:	\$397,494		\$566,763	
Expenses:	\$224,504	56.5%	\$258,635	45.63%
Net Operating Income:	\$172,990	\$3,604	\$308,127	\$6,419

* As a percent of Scheduled Gross Income

** As a percent of Down Payment

PRO FORMA ANNUAL OPERATING EXPENSES

	PRO FORMA ESTIMATES		% OF SGI	T-12	PER UNIT	PRO FORMA	PER UNIT
Real Estate Taxes	1.74%	% of Purchase Price	16.45%	\$65,391	\$1,362	\$65,391	\$1,362
Property Management Fee	3.0%	x GOI	0.00%	\$0	\$0	\$16,994	\$354
Insurance	\$1,000	Per Unit	13.84%	\$55,000	\$1,146	\$48,000	\$1,000
Payroll	\$500	Per Unit	0.00%	\$0	\$0	\$24,000	\$500
General and Administrative	\$200	Per Unit	3.54%	\$14,060	\$293	\$9,600	\$200
Contract Services	\$150	Per Unit	4.78%	\$18,998	\$396	\$7,200	\$150
Landscaping/Grounds	\$100	Per Unit	0.00%	\$0	\$0	\$4,800	\$100
Turnover	\$150	Per Unit	0.00%	\$0	\$0	\$7,200	\$150
Repairs & Maintenance	\$500	Per Unit	7.85%	\$31,210	\$650	\$24,000	\$500
Electrical	2.00%	% Over Actual	3.59%	\$14,272	\$297	\$14,557	\$303
Water/Sewer	2.00%	% Over Actual	5.77%	\$22,931	\$478	\$23,390	\$487
Trash Removal	2.00%	% Over Actual	0.66%	\$2,642	\$55	\$2,695	\$56
Other Utilities/Fuel/Gas	0.00%	% Over Actual	0.80%	\$3,192	\$67	\$0	\$0
Marketing/Advertising	\$25	Per Unit	0.00%	\$0	\$0	\$1,200	\$25
Reserves	\$200	Per Unit	0.00%	\$0	\$0	\$9,600	\$200
Total Expenses			57.28%	\$227,696	\$4,744	\$258,626	\$5,388
			<u>Current</u>	<u>Per Unit</u>	<u>% of SGI</u>		
Non-controllable expenses: Taxes, Ins., Reserves:			\$120,391	\$2,508	20.4%		
Total Expense without Taxes & Reserves			\$162,305	\$3,381	27.53%		

RENT ROLL

UNIT	MIX	RENT	MARKET RENT	UNIT	MIX	RENT	MARKET RENT
101	2+2	\$920	\$1,200	702	2+2	\$865	\$1,175
102	2+2	\$0	\$1,200	703	1+1	\$725	\$900
103	2+2	\$800	\$1,200	704	2+2	\$875	\$1,175
104	3+2	\$1,050	\$1,300	801	2+2	\$805	\$1,175
201	1+1	\$710	\$900	802	1+1	\$625	\$900
202	2+2	\$775	\$1,200	803	1+1	\$770	\$900
203	1+1	\$725	\$900	804	2+2	\$840	\$1,175
204	2+2	\$820	\$1,200	1	1+1	\$630	\$875
301	1+1	\$775	\$900	2	1+1	\$725	\$875
302	2+2	\$850	\$1,175	3	1+1	\$665	\$875
303	1+1	\$0	\$900	4	1+1	\$665	\$875
304	2+2	\$810	\$1,175	5	2+1.5	\$815	\$1,100
401	2+2	\$850	\$1,175	6	1+1	\$740	\$875
402	2+2	\$835	\$1,175	7	1+1	\$700	\$875
403	2+2	\$835	\$1,175	8	1+1	\$700	\$875
404	3+2	\$1,020	\$1,300	9	1+1	\$760	\$875
501	1+1	\$0	\$900	10	1+1	\$740	\$875
502	2+2	\$0	\$1,175	11	1+1	\$0	\$875
503	1+1	\$675	\$900	12	2+1.5	\$795	\$1,100
504	2+2	\$850	\$1,175	14	1+1	\$675	\$875
601	1+1	\$710	\$900	15	1+1	\$0	\$875
602	2+2	\$860	\$1,175	16	1+1	\$750	\$875
603	1+1	\$740	\$900	17	1+1	\$770	\$875
604	2+2	\$885	\$1,175	Totals	48	\$32,805	\$49,125
701	1+1	\$675	\$900	Averages		\$683	\$1,023

RENT COMPARABLES



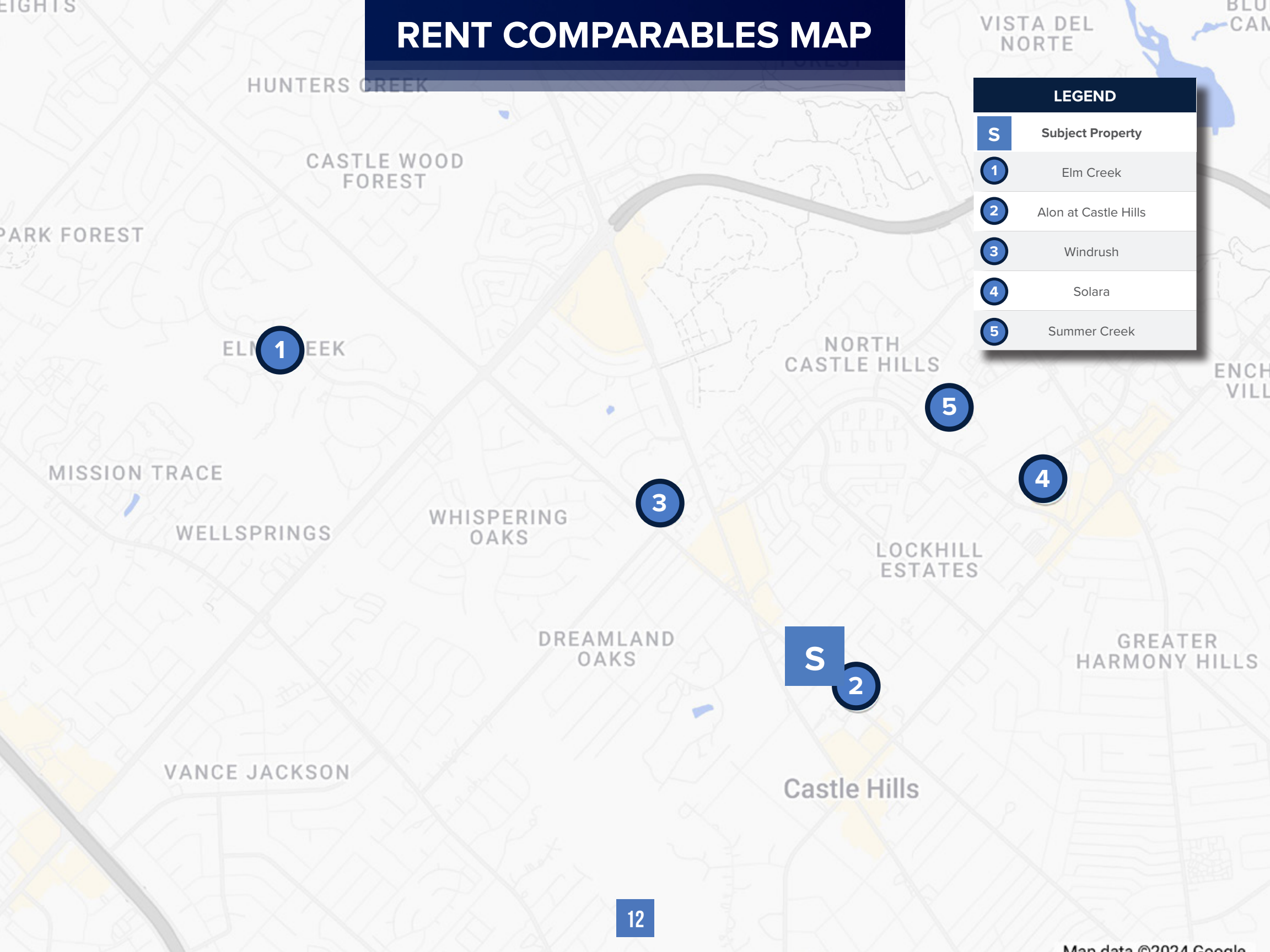
ONE BEDROOM RENT COMPARABLES

	NAME	YEAR BUILT	UNITS	AVG UNIT SIZE	RENT PER UNIT	RENT PSF
S	Subject Property	1974	48	618	\$711	\$1.15
1	Elm Creek	1973	81	750	\$1,075	\$1.43
2	Alon at Castle Hills	1999	306	618	\$983	\$1.59
3	Windrush	1973	90	660	\$950	\$1.44
4	Solara	1984	285	696	\$878	\$1.26
5	Summer Creek	1975	180	656	\$900	\$1.37
	Averages	1981	188	664	\$940.13	\$1.42

TWO BEDROOM RENT COMPARABLES

	NAME	YEAR BUILT	UNITS	AVG UNIT SIZE	RENT PER UNIT	RENT PSF
S	Subject Property	1974	48	907	\$838	\$0.92
1	Elm Creek	1973	81	942	\$1,250	\$1.33
2	Alon at Castle Hills	1999	306	976	\$1,365	\$1.40
3	Windrush	1973	90	1040	\$1,189	\$1.14
4	Solara	1984	285	1038	\$1,262	\$1.22
5	Summer Creek	1975	180	910	\$1,250	\$1.37
	Averages	1981	188	981	\$1,285.16	\$1.29

RENT COMPARABLES MAP



LEGEND

S	Subject Property
1	Elm Creek
2	Alon at Castle Hills
3	Windrush
4	Solara
5	Summer Creek

AREA OVERVIEW

NEIGHBORHOOD OVERVIEW

CASTLE HILLS

Castle Hills is a serene and upscale neighborhood nestled in the heart of San Antonio, Texas. Known for its picturesque tree-lined streets, lush landscaping, and well-manicured lawns, Castle Hills exudes a sense of tranquility and charm. This residential enclave offers an ideal blend of suburban living with convenient access to urban amenities. The neighborhood is characterized by its spacious single-family homes, many of which boast elegant architectural styles ranging from traditional to contemporary.

Beyond its residential appeal, Castle Hills offers residents a wealth of recreational and leisure opportunities. The neighborhood is home to several parks, playgrounds, and green spaces, providing ample opportunities for outdoor activities such as jogging, picnicking, and leisurely strolls. Additionally, Castle Hills is renowned for its vibrant community events and social gatherings, fostering a strong sense of camaraderie among its residents. With its serene ambiance, beautiful surroundings, and close-knit community spirit, Castle Hills stands as a sought-after destination for those seeking an idyllic retreat in the bustling city of San Antonio.

DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2023 Population	17,007	111,232	286,900
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2023 Households	7,826	49,633	129,224
INCOME	1-MILE	3-MILE	5-MILE
Avg. Household Income	\$109,439	\$111,315	\$116,976

SAN ANTONIO, TEXAS

San Antonio officially the City of San Antonio, is the seventh most populous city in the United States and the second most populous city in both Texas and the Southern United States. Straddling the regional divide between South and Central Texas, San Antonio anchors the southwestern corner of an urban megaregion colloquially known as the “Texas Triangle”.

San Antonio is the center of the San Antonio–New Braunfels metropolitan statistical area. Commonly called Greater San Antonio, the metro area has a population of 2,601,940, making it the 24th-largest metropolitan area in the United States and third-largest in Texas. Growth along the Interstate 35 and Interstate 10 corridors to the north, west, and east make it likely that the metropolitan area will continue to expand. With a strong economy, A vast amount of tourist amenities, and multiple institutions of higher education, San Antonio is the place for everyone to thrive.



2nd Largest

CITY IN TEXAS



26M

TOURISTS EACH YEAR



#4 Best

PLACES TO LIVE IN TEXAS



\$134B

GROSS METRO PRODUCT



Four Fortune 500

COMPANY CORPORATE HEADQUARTERS



2.6M

MILLION PEOPLE





ECONOMY

The City of San Antonio maintains a strong financial position with a “AAA” general obligation bond rating from all three major rating agencies. As the **seventh-largest city in the United States**, San Antonio is experiencing solid economic growth in 21st-century industries such as bioscience and healthcare, aerospace, IT and cybersecurity, and green technologies. **Biotech companies and healthcare systems in San Antonio contribute billions to the local economy.** The aerospace industry remains a dominant economic strength in San Antonio with the presence of several aviation and aerospace corporations, including the military. The military has had a significant relationship with San Antonio for more than 200 years and is home to several military commands. The city is also a cybersecurity hub; nationally recognized as a leader in the field of information security.

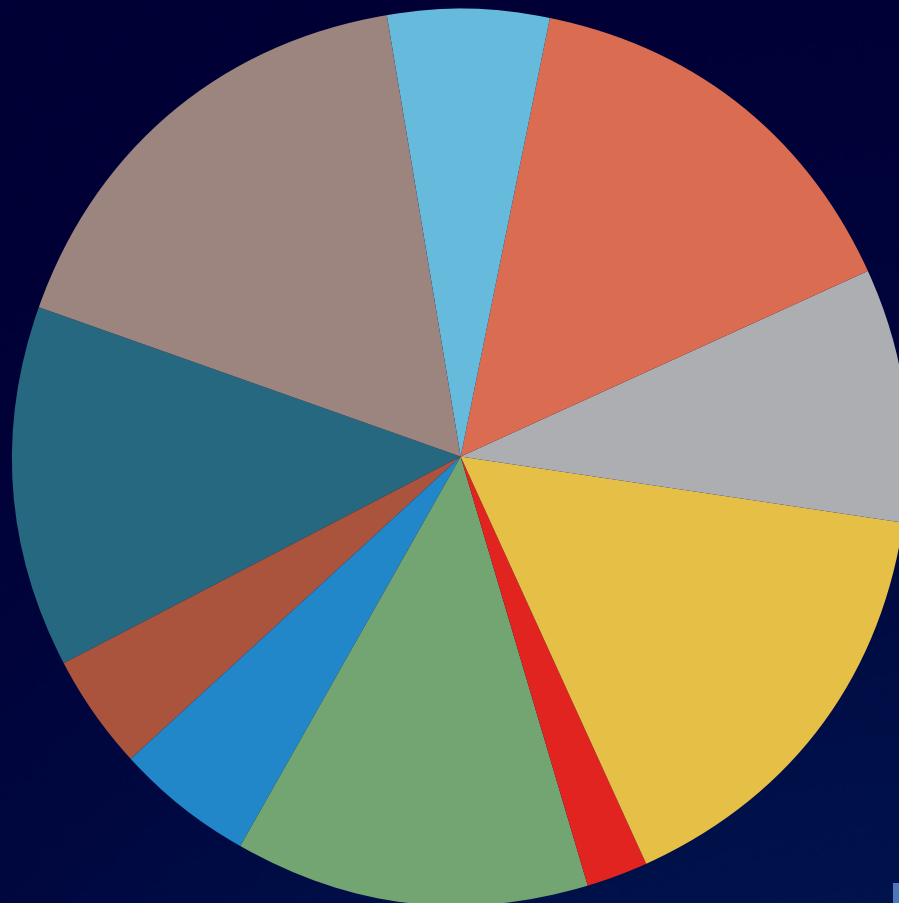
San Antonio is positioning itself to be at the forefront of the New Energy Economy in the United States, committed to investing and creating employment opportunities in green industries. The economy has remained steady and prosperous by successfully attracting new businesses and helping existing companies grow. The city has focused on creating new employment opportunities in 21st-century industries, maintaining a great quality of life, and facilitating business growth at the local and international levels.

ATTRACTIONS

The city is home to four animal attractions. SeaWorld, 16 miles west of Downtown in the city’s Westover Hills district, is the number 4 attraction and one of the largest marine life parks in the world. Located at the center of Leon Valley, the San Antonio Aquarium is filled with thousands of species of aquatic animals and features lots of interactive exhibits. The very popular and historic San Antonio Zoo is in the city’s Brackenridge Park. Another animal attraction is SEA LIFE San Antonio Aquarium inside the Shops at Rivercenter in Downtown San Antonio, which was created by Merlin Entertainments.

San Antonio is also home to several commercial amusement parks, including Six Flags Fiesta Texas, Splashtown, and Morgan’s Wonderland, a theme park for children with special needs. Kiddie Park, featuring old-fashioned amusement rides for children, was established in 1925 and is the oldest children’s amusement park in the U.S.

SAN ANTONIO, TX MSA LARGEST EMPLOYERS



LARGEST EMPLOYERS BY SECTOR

- 26% Healthcare
- 7% Construction
- 13% Manufacturing
- 8% Financial Services
- 14% Logistics
- 5% Government
- 11% Technology
- 6% Construction
- 6% Retail
- 10% Tourism

DRIVE TIME

TEXAS MAP





SAN ANTONIO

ATTRACTIONS



SAN FERNANDO CATHEDRAL

SAN ANTONIO RIVER WALK

JAPANESE TEA GARDEN

THE ALAMO

HEMISFAIR PARK



SA MA San Antonio Museum of Art

BRACKENRIDGE PARK



- 1 THE ALAMO ± 11 MILES AWAY
- 2 SAN ANTONIO RIVER WALK ± 11 MILES AWAY
- 3 SAN ANTONIO ZOO ± 8 MILES AWAY
- 4 JAPANESE TEA GARDEN ± 9 MILES AWAY
- 5 SAN ANTONIO MUSEUM OF ART ± 10 MILES AWAY
- 6 SAN FERNANDO CATHEDRAL ± 11 MILES AWAY
- 7 BRACKENRIDGE PARK ± 9 MILES AWAY
- 8 HISTORIC MARKET SQUARE ± 11 MILES AWAY
- 9 THE DOSEUM ± 9 MILES AWAY
- 10 HEMISFAIR PARK ± 12 MILES AWAY
- 11 UTSA DOWNTOWN CAMPUS ± 11 MILES AWAY

CONFIDENTIALITY & DISCLOSURE AGREEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at 10806 Baltic St - San Antonio, TX ("Property"). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Neither owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner.

Matthews Real Estate Investment Services is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any entity's name or logo, including any commercial tenant's name or logo, is informational only and does not indicate or suggest any affiliation and/or endorsement of Matthews Real Estate Investment Services, the property, or the seller by such entity.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Owner or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date of this Offering Memorandum.

LOCKHILL HACIENDA APARTMENTS

10806 BALTIC ST, SAN ANTONIO, TX 78213

OFFERING MEMORANDUM

LISTED BY:



ANDREW KOPENEC

ASSOCIATE, MULTIFAMILY

DIRECT (512) 535-1438

MOBILE (817) 889-4950

andrew.kopenec@matthews.com

License No. 746316 (TX)



TYLER MARSHALL

AVP & ASSOCIATE DIRECTOR

DIRECT (512) 361-1305

MOBILE (972) 765-3805

tyler.marshall@matthews.com

License No. 9003950 (TX)

PATRICK GRAHAM

BROKER OF RECORD

License No. 528005 (TX)

MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES



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:
 - o that the owner will accept a price less than the written asking price;
 - o that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - o 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.

Matthews Real Estate Investment Services, Inc.	9005919	transactions@matthews.com	866-889-0050
Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
Patrick Graham	528005	licensing@matthews.com	866-889-0050
Designated Broker of Firm	License No.	Email	Phone
Patrick Graham	528005	licensing@matthews.com	866-889-0050
Licensed Supervisor of Sales Agent/ Associate	License No.	Email	Phone
Sales Agent/Associate's Name	License No.	Email	Phone

Buyer/Tenant/Seller/Landlord Initials

Date