

WINDWOOD GARDEN APARTMENTS

Pickens, SC



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INVESTMENT OFFERING

WINDWOOD APARTMENTS

Pickens, SC

INVESTMENT OFFERING

80 Units

Purchase Price: \$2.41M

Total Capital Raise: \$1.25M

Return on Capital (ROC): 1.99x

Average Cash on Cash (CoC): 9.07%

Internal Rate of Return (IRR): 14%

Average Annualized Return (AAR):
16.5%

Cap Rate at Re-Sale: 7.5%

Investment Period: 6 Years



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This is an investment summary provided to prospective investors and others. This information is not an offering to sell either a security or a solicitation to sell a security. At the request of a recipient, the Company will provide a private placement memorandum, subscription agreement and the Limited Liability Company Operating Agreement. The Managing Member in no way guarantees the projections contained herein. Real estate values, income, expenses and development costs are all affected by a multitude of forces outside the Managing Member's control. This investment is illiquid and only those persons that are able and willing to risk their entire investment should participate. Please consult your attorney, CPA and/or professional financial advisor regarding the suitability of an investment by you.



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Investment Summary

Windwood Gardens is an 80 unit, value-add opportunity, built in 1974 and located in the heart of Pickens, SC, part of the booming Greenville, SC metropolitan statistical area (MSA). It is comprised of:

- 40) - 1 bedroom, 1 bathroom, 620 sq. ft units
- 39) - 2 bedroom, 1 bathroom, 750 sq. ft units
- 1) - 3 bedroom, 1 bathroom, 850 sq. ft units

Currently, 4 of the 2 bedroom units are being used as storage units, however we intend to convert these back to rentable space immediately upon acquisition. Approximately 50% of the units have been upgraded. These improvements include the addition of new cabinets, new countertops, luxury vinyl plank flooring, new carpet, new appliances and upgraded fixtures. We intend to make similar upgrades to the additional units, allowing for significant rent increases. In addition, there is a tremendous amount of green space on the property to which we intend to add multiple new amenities. These will include a dog park, grilling spaces/covered picnic areas, and playground. Current rents average \$513 per month, including the water. We intend to increase average rents approximately \$115 over the first 3 years, as we improve the property. These new rents are conservatively estimated, as they are 8-10% below those being charged by comparable properties in the area. We will also implement a bill back program for water, trash, and pest control, generating an additional \$40 per month in revenue.

We currently have Windwood Gardens under contract for \$2.41M, however the property was just appraised at an "as-is" value of \$2.7M. The current owner refinanced the property in July and we will be assuming the current debt service on the property. The loan structure is as follows:

- 10 year term
- 4.710% fixed rate
- 36 month interest only period



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Investment Summary (cont.)

Proven Value-Add Program:

The current owner has spent \$300k+ on renovations by partially upgrading units with black appliances, faux granite countertops, cabinet fronts, resurfaced countertops and vinyl flooring.

Reposition, Rebrand, Revitalize:

Four Oaks will seek to bring the asset up from a C to C+ class property in line with the desirable submarket location. We will rebrand immediately with a \$630,000 renovation budget to expand upon a proven value-add program by implementing curb appeal enhancements and strategic interior renovations.

\$125+ Rent Increase Potential:





With strong submarket demand for enhanced interior updates, Windwood is poised to benefit from an interior value-add initiative to modernize interiors and generate significant rental premiums.







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Investor Returns

INVESTMENT

	Purchase Price	\$2,410,000
	Total Capital Raise	\$1,250,000
	Minimum Investment	\$50,000
	Projected Hold Period	6 Years

INVESTOR RETURNS

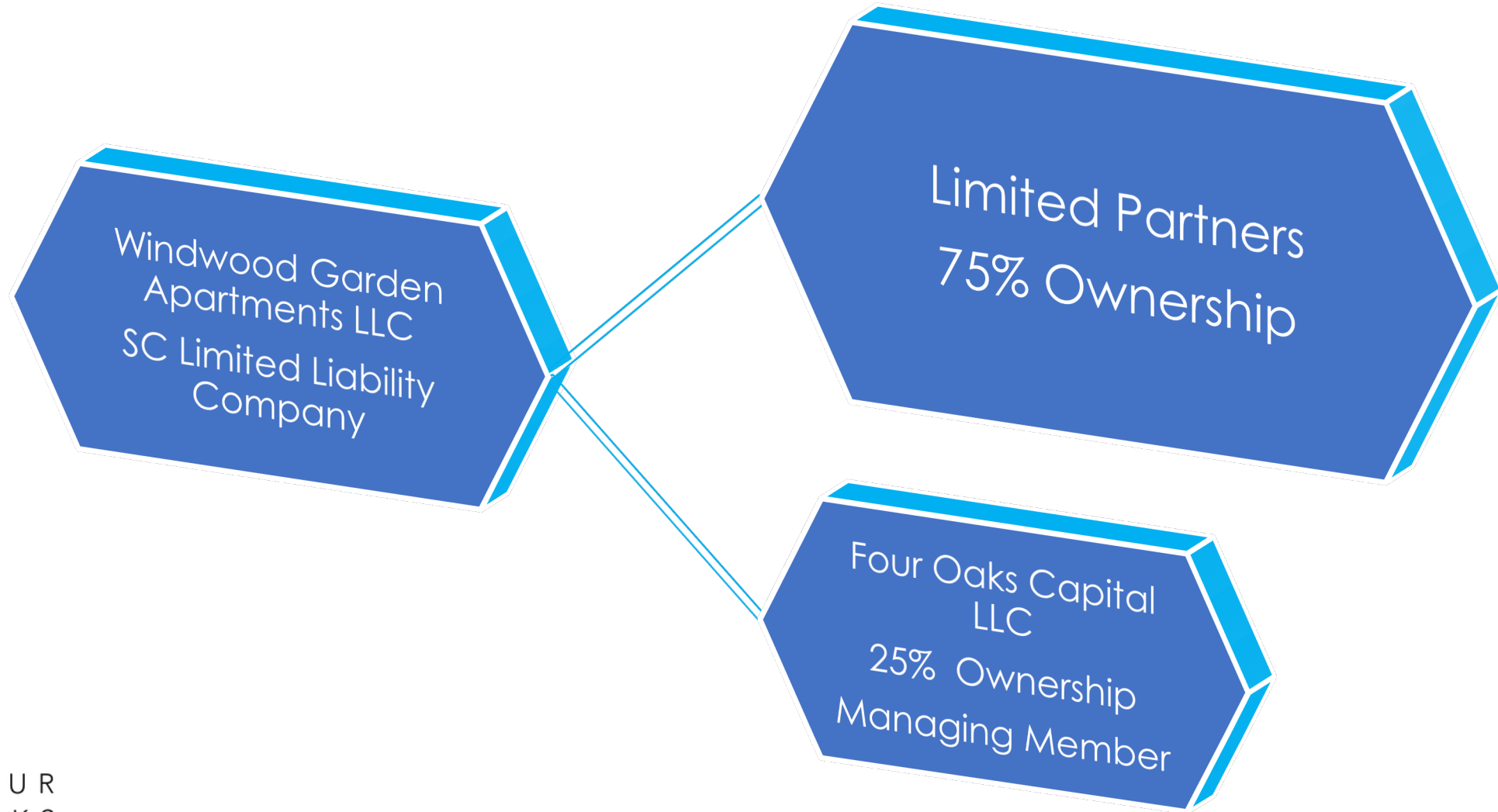
	Average Cash on Cash (CoC)	9.07%
	Investor Equity Multiple	1.99x
	Internal Rate of Return (IRR)	14%
	Average Annualized Return (AAR)	16.5%

Investor Proforma

	Current	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	
Average Rent	\$520	\$535	\$580	\$620	\$627	\$640	\$652	
Occupancy Rate	86%	85%	88%	90%	90%	90%	90%	
Rental Income	\$418,660	\$427,035	\$487,633	\$531,133	\$541,755	\$552,590	\$563,642	
Other Income	\$42,386	\$51,000	\$62,000	\$74,000	\$75,480	\$76,990	\$78,529	
Total income	\$461,046	\$478,035	\$549,633	\$605,133	\$617,235	\$629,580	\$642,171	
Operating Expenses	(\$292,937)	(\$295,288)	(\$309,941)	(\$315,164)	(\$320,491)	(\$325,925)	(\$331,467)	
NOI (Net Operating Income)	\$168,109	\$182,747	\$239,693	\$289,969	\$296,744	\$303,655	\$310,704	
Debt Service	(\$118,877)	(\$89,861)	(\$89,861)	(\$89,861)	(\$118,877)	(\$118,877)	(\$118,877)	
Total Cash Flow (less non-operating expenses*)	\$49,232	\$78,325	\$133,739	\$182,803	\$160,216	\$166,774	\$173,463	
						Proceeds from Sale		\$44,599
Investor return w/ \$100,000 Investment		\$4,764	\$8,134	\$11,118	\$9,745	\$10,143	\$10,554	\$54,458
Cash on Cash Return (CoC)		4.76%	8.13%	11.12%	9.75%	10.14%	10.55%	
Return of Initial Capital								\$100,000
Total Return on Investment								\$199,057

*Non-operating expenses: Asset Management fee, Accounting, Cost Segregation Cost, etc.

Ownership Structure



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Windwood Gardens
Apartments

Standard
Units

Duplex Units



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Proximity to Downtown Pickens

Windwood Gardens
Apartments

Blue Ridge Electric
Cooperative

Tony's

Mountain View Funerals
and Cremations

Village Library

The GateHouse

McDonald's

Walgreens

Doodle Trail
Pickens Parking

CVS

Hardee's

W Main St
Pickens

Pendleton St

Liberty Pickens Rd

ATM

Mobil

Batson Equipment Sales

Carousel of Learning

Secona Baptist Church

Pickens Middle School

AnMed Health Cannon



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-14 Buildings

-Stand-alone
Management/Laundry Building

-8.08 Acres



Amenities

CURRENT COMMUNITY AMENITIES:

Laundry facility



2 acres of green space

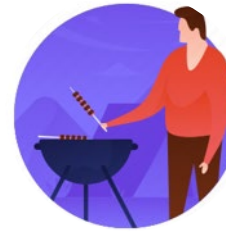


PROPOSED ADDITIONAL AMENITIES:

Dog Park



Community Grilling & Picnic structures



Playground



Improved Landscaping



Standard Unit vs. Renovated Unit

STANDARD UNIT



RENOVATED UNIT:
New appliances
Luxury plank flooring
New countertops
Upgraded fixtures
Updated Cabinets

Capital Expenditures

Current Average Rents

1 Bedroom: \$514
1 Bedroom (duplex):
\$433
2 Bedroom: \$555
3 Bedroom: \$600

Exterior Rennovations:

Landscaping	\$25,429
Pressure Wash/Wood Repair/Paint	\$68,000
Roofing	\$23,452
Asphalt Patch	\$12,550
Concrete	\$21,950
Seal Coat	\$10,742
Total:	\$162,123

Interior Rennovations:

Down Units (8 total) @ \$25,000	\$200,000
33 unrennovated units @ \$5,000	\$165,000
Total:	\$365,000

Total Rennovations:	\$527,123
Amount coming at close from lender	-\$35,800

CAPEX BUDGET **\$491,323**

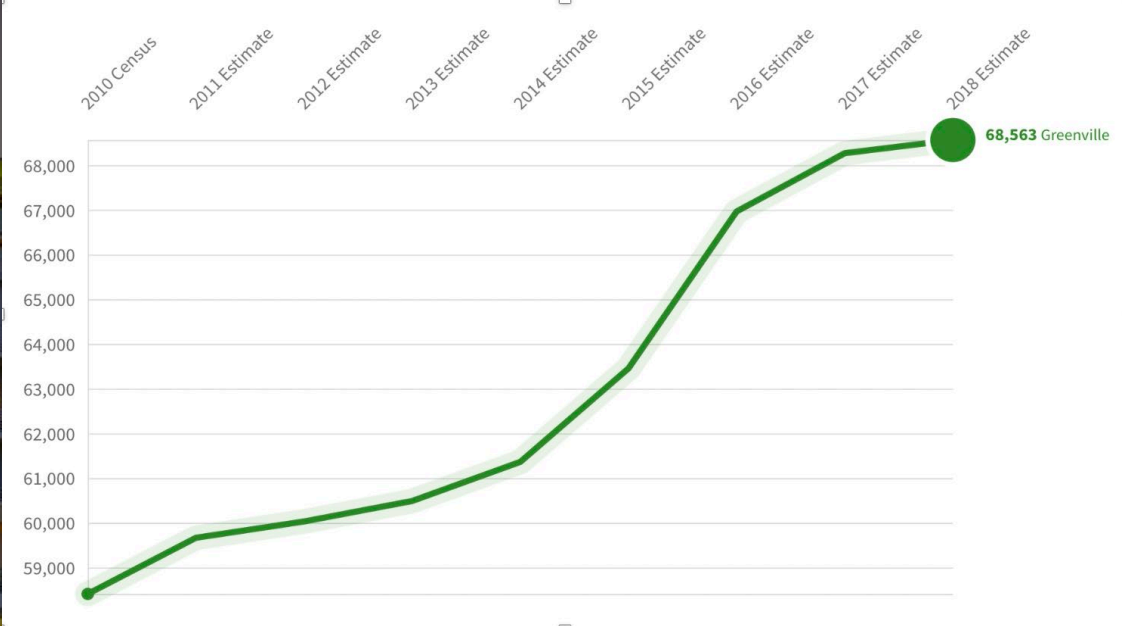
Projected Rents

1 Bedroom: \$600
1 Bedroom (duplex): \$500
2 Bedroom: \$700
3 Bedroom: \$750



17 MILES TO DOWNTOWN GREENVILLE

GREENVILLE POPULATION GROWTH



Population Growth 2010 – 2018

REGION	2010 POPULATION	2018 POPULATION	POPULATION INCREASE 2010-2018	% INCREASE 2010-2018
Greenville County	451,225	514,213	61,541	13.6%
Greenville MSA	824,112	906,626	82,514	10.0%
Upstate SC Region	1,362,073	1,478,658	116,585	8.6%
South Carolina	4,625,364	5,084,127	458,763	9.9%



TOP GREENVILLE EMPLOYERS

EMPLOYER	COUNTY	EMPLOYEES	PRODUCT / SERVICE
Prisma Health	Greenville	15,941	Health Services
Greenville County Schools	Greenville	8,847	Public Education
Michelin North America	Regional	7,120	Headquarters / R&D / MFG
BMW Manufacturing Corp.	Spartanburg	7,000	Manufacturing
Spartanburg Regional Health Services	Spartanburg	6,000	Health Services
Bi-Lo Warehouse/Distribution	Greenville	4,600	Distribution & Retail
Bon Secours St. Francis Health System	Greenville	4,355	Health Services
Clemson University	Pickens	3,788	Public College
Milliken & Co.	Regional	3,700	Research - Fabrics, Textiles, Chemicals
Duke Energy	Greenville	3,300	Utility Provider
GE Energy	Greenville	3,400	Turbines and Turbine Generator Sets
MAU Workforce Solutions	Greenville	3,042	Staffing Solutions
Greenville County Government	Greenville	2,685	Local Government
State of South Carolina	Greenville	2,552	State Government
Fluor Corporation	Greenville	2,400	Engineering / Construction Services



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RECENT JOB ANNOUNCEMENTS

- P3, an independent and international management consultants based in Germany, is making Endeavor in downtown Greenville its U.S. headquarters. P3 specializes in high-end technical strategy and creative business consulting.
- Getronics, which specializes in improving customer business performance by implementing end-to-end information and communication technology solutions, is establishing its Global Service Center in Greenville County creating 500 new jobs.
- Samsung Electronics America, Inc. plans to open a cutting-edge customer care center in Greenville County. Established in partnership with Alorica, one of the world's leading platforms for customer interactions, the new Connected Customer Care Center will bring 400 additional jobs to the region by 2020.
- GE completed a \$73 million facility, and has plans to invest an additional \$327 million across the GE power campus in Greenville by 2021. This expansion is expected to create hundreds more high-paying jobs in the region, and will continue to drive Greenville's strong economic growth.
- BMW announced in June of 2017 that it will invest \$600 million through 2021 and add 1,000 new jobs, bringing its total area employment to more than 10,000.
- Moore's Food Resources is expected to invest \$15 million in Greenville County and employ 182 people. The company also plans to triple the facilities in less than 10 years.



GE Power



AWARD WINNING DOWNTOWN

- Downtown Greenville South Carolina has become a destination in the South- east. With a beautiful Main Street, pedestrian-friendly sidewalks, outdoor plazas, and over 150 of locally owned shops and eateries. 5 million visitors from around the world visit Greenville each year. Located in the Upstate of South Carolina, almost half a million people live in Greenville County and cherish the downtown area.
- The Central Business District (CBD) covers approximately 300 acres within the larger downtown area of 1,118 acres (approximately 1.75 square miles).
- Downtown Greenville averages over 300 event days a year including a weekly music series every Wednesday, Thursday, and Friday from March through October and a wide variety of live entertainment and festivals.
- Pedestrian-friendly atmosphere with wide sidewalks and outdoor dining.
- Home to the Peace Center for the Performing Arts, Greenville County Art Museum and the Bon Secours Wellness Arena – a 17,000 seat sports and entertainment arena. Reedy River Falls Historic Park anchors the West End area of downtown and features the \$4.5 million Liberty Bridge, numerous shops, restaurants and art galleries. Forbes named Greenville one of America's Best Downtowns in 2016.



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The Artsy Southern Town That Wants to Be the Next Portland

Former mill town Greenville, S.C., has been rejuvenated by a thriving cultural scene; average home prices have risen over 20% in the past three years

THE WALL STREET JOURNAL

Do Bats Kill?
Debating Wood
Vs. Aluminum
LEISURE & ARTS | D6

For Business—
From Above
MARKETPLACE | B1

Making a Move
To First City
An Eastern
THE MIDLAND

ASDAQ 2583.75 ▲ 0.8% NIKKEI 17716.25 ▲ 1.2%

TUESDAY, JULY 21, 2009

Anyone still thinking the U.S. has lost its manufacturing chops hasn't been to this part of the country. For a hopeful look into America's future, just visit the Greenville/Spartanburg corridor, a good example of the type of manufacturing "hub" powering growth throughout the U.S. Drive by the big BMW auto plant, the General Electric gas-turbine factory, Michelin's North American headquarters, and the scores of suppliers, chemical companies, and fabricators sprinkled along Interstate 85. Observe the close coordination between these companies and the local colleges that, for years, have supplied the engineers and machinists who run the factories.

News

World-Wide

In YouTube Debate
Chills Some Politicos

Aggressive S

D: J. D.

MARKET OVERVIEW

DOWNTOWN GREENVILLE

Great American Main Street Award

- National Trust for
Historic Preservation

#7 Best state for business

- Chief Executive, 2014

#7 BEST IN THE US TO VISIT IN 2015

- Lonely Planet

12 Great Places to Go

ON A BUDGET IN 2017
- Money Magazine

#3 TOP SMALL CITY IN THE U.S.

- Conde Nast Traveler
Readers' Choice
Award, 2017

Top 10 Underrated

Cities FOR ART LOVERS
- US News & World Report, 2016

#6 ON LIST OF America's Engineering Capitals

- Forbes, 2014

#1 MICRO AMERICAN CITY OF THE FUTURE (OVERALL)

- fDi Magazine 2015

#3 Best Fresco Dining Neighborhood

- 10 Best/USA Today

#4 10 Best Downtowns

- Livability.com, 2015

ONE OF America's Most Affordable Cities

- Forbes, 2014

#7 10 "Buzzy, Newly Accessible Destinations"

- Wall Street Journal, 2016

#29 Best Places to Live in the USA

- US News & World Report, 2017

One of the 29 Best Small Cities in the US 2018

- National Geographic

Top 10 Cycling Cities

IN THE UNITED STATES
- Global Cycling Network

#4 Fastest Growing City in the U.S.

- Latest Census Bureau Report

#2 Best Places to Travel in 2018

- Travel + Leisure

Top 10 Small Cities

WHERE BUSINESS IS THRIVING

- Entrepreneur, 2015

17.2% OF BMW'S TOTAL AUTO PRODUCTION IS IN GREENVILLE

- BMW, 2016

GHS SWAMP RABBIT TRAIL #3 BEST URBAN TRAIL

- 10 Best/USA Today

Top 10 Cities FOR MILLENNIALS TO LIVE IN

- Growella.com

Best Places to Retire

- AARP, 2013

#3 Top State to Do Business

- Area Development, 2014

#12 52 Places to Go (In the World) in 2017

- New York Times

\$600 million

EXPANSION OF BMW FACILITY
TAKING WORKFORCE TO 10,000
- Forbes, 2017

FALLS PARK ON THE REEDY

Top 10 Park in the U.S.

- Trip Advisor, 2014

Top 16 South's Best Girlfriend Getaways

- Southern Living

UPSTATE SC Top Destination for Foreign Direct Investment

- 2013 Global Location Trends

JOCASSEE GORGES ONE OF "50 OF THE WORLD'S LAST GREAT PLACES"

- National Geographic Magazine, 2012

#21 Best Summer Vacation Spot

- WalletHub, 2017



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PICKENS OVERVIEW

- Pickens County is in northwestern South Carolina and is part of the Upstate region. The city of Pickens is situated in the heart of Pickens County and is part of one of the nation's fastest growing regions, the I-85 corridor. Nestled in the foothills of the Blue Ridge Mountains.
- Pickens County is home to a diverse industrial community that includes an industry-leading producer of fire suppression devices, a manufacturer of mobile kitchens for the military, a high-tech medical device manufacturer, a variety of metal fabrication and machining operations and many more. Local companies rely on a skilled workforce with generation of experience in manufacturing. Because of the skill and solid work ethic of its residents, Pickens County's unemployment rate is one of the lowest in South Carolina.
- Manufacturing is the County's primary source of economic growth. There are approximately 150 facilities in the Easley, Liberty, and Pickens areas. There are an estimated 12,000 people employed in manufacturing. More than half are employed in the metalworking and industrial equipment industries. The County is in transition to become heavily focused on research and development. Clemson University, a top 100 research university, has concentrated on advanced materials, biopharma, motorsports, and fibers. In addition, the University plays a major role in the local economy by employing over 3,500 faculty and staff.

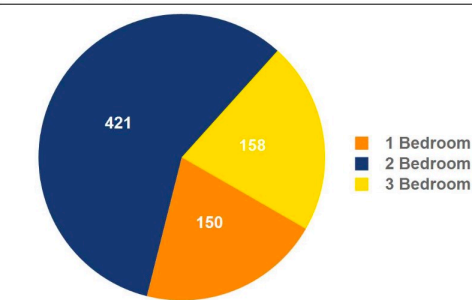


Rent Comparables by Bedroom

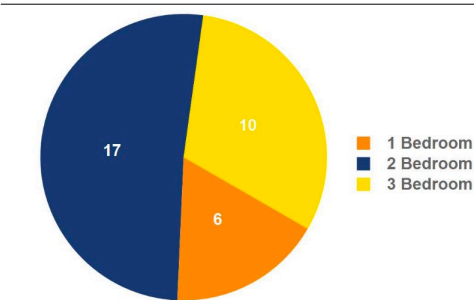
208 Windwood Dr - Windwood Gardens			
Studio Comps	One Bed Comps	Two Bed Comps	Three Bed Comps
-	\$615	\$715	\$812
Subject	Subject	Subject	Subject
\$461	\$527	\$577	\$715

Current Conditions in Rent Comps	Studio	1 Bedroom	2 Bedroom	3 Bedroom
Total Number of Units	0	150	421	158
Vacancy Rate	-	3.9%	4.1%	6.6%
Asking Rent Per Unit	-	\$615	\$715	\$812
Asking Rent Per SF	-	\$0.79	\$0.73	\$0.72
Effective Rents Per Unit	-	\$612	\$712	\$806
Effective Rents Per SF	-	\$0.79	\$0.73	\$0.72
Concessions	-	0.5%	0.5%	0.7%
Changes Past Year in Rent Comps	Studio	1 Bedroom	2 Bedroom	3 Bedroom
Year-Over-Year Effective Rent Growth	-	-1.6%	1.2%	2.3%
Year-Over-Year Vacancy Rate Change	-	-1.1%	-1.5%	-0.5%
12 Month Net Absorption in Units	-	0	1	-3

EXISTING UNITS



VACANT UNITS



Sale Comparables Summary

Windwood Gardens - 208 Windwood Dr									
Property Name/Address		Property Information				Sale Information			
		Rating	Yr Built	Units	Vacancy	Sale Date	Price	Price/Unit	Price/SF
1	2 Birchview St	★★★★★	1983	61	0%	9/4/2019	\$800,000	\$13,114	\$62
2	Northway Apartments 3800 E North St	★★★★★	1968	62	6.5%	6/18/2019	\$1,736,000	\$28,000	\$47
3	Belle Meade Apartments 25 Fleetwood Dr	★★★★★	1980	100	13.0%	6/5/2019	\$5,120,000	\$51,200	\$49
4	Cedar Grove Apartments 10 Monroe St	★★★★★	1940	94	5.3%	2/15/2019	\$6,000,000	\$63,829	\$63
5	2207 North 2207 Wade Hampton Blvd	★★★★★	-	59	2.3%	12/14/2018	\$8,900,000	\$150,847	\$78
6	Crescent Pointe 1500 S Oak St	★★★★★	2003	144	0.7%	12/11/2018	\$13,700,000	\$95,138	\$91
7	Silver Creek Apartments 100 Ashe Dr	★★★★★	1972	150	8.0%	11/12/2018	\$7,956,100	\$53,040	\$33
8	Olde Town at Bailey Court 106 Concord Ave	★★★★★	1964	100	9.0%	11/8/2018	\$5,350,000	\$53,500	\$67
9	Clemson Ridge 116 Northwoods Dr	★★★★★	1998	120	8.3%	8/29/2018	\$11,000,000	\$91,666	\$82
10	Rosewood at Clemson 201 Tiliwa Ct	★★★★★	2007	48	0%	8/21/2018	\$5,250,000	\$109,375	\$114
11	The Park at Calabria 100 Pelham Rd	★★★★★	1978	101	7.9%	7/26/2018	\$8,500,000	\$84,158	\$63
12	Grandeagle Apartments 50 Glenwood Rd	★★★★★	1967	152	7.2%	7/12/2018	\$9,400,000	\$61,842	\$73
13	Azalea Hill 1600 Azalea Hill Dr	★★★★★	1998	160	9.4%	6/28/2018	\$19,000,000	\$118,750	\$130
14	100 East Downtown Apartme... 100 E Washington St	★★★★★	2012	48	0%	4/12/2018	\$9,550,000	\$198,958	\$136
15	Beacon Ridge Apartments 5 Crystal Springs Rd	★★★★★	1988	144	6.9%	2/20/2018	\$14,625,000	\$101,562	\$97

Windwood Gardens price per unit **\$30,125**

Market Statistics

Located along one of the busiest interstates in America, Greenville is centrally located along the I-85 corridor that connects two of the largest cities in the Southeast - Atlanta, Georgia and Charlotte, North Carolina.

Greenville has an unemployment rate of 3.0%. The US average is 3.9%.

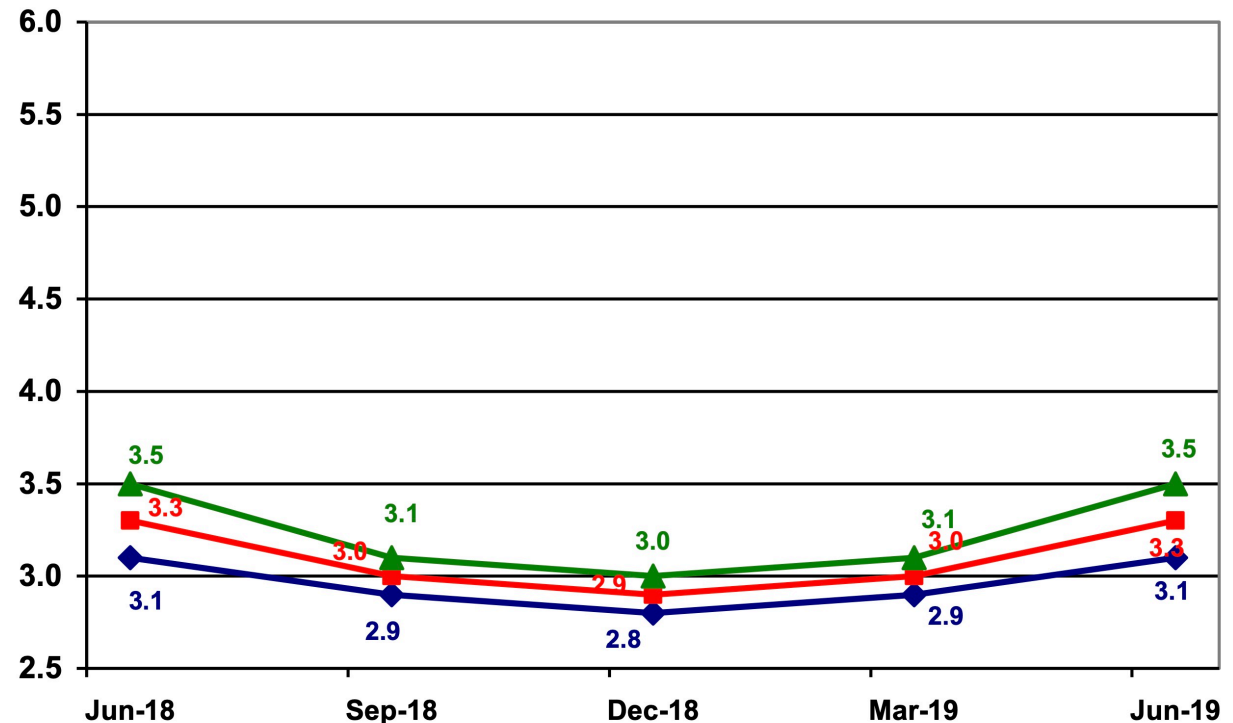
Greenville has seen the job market increase by 0.7% over the last year. Future job growth over the next ten years is predicted to be 39.8%, which is higher than the US average of 33.5%.



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Unemployment Rate (%)

Source: SC Department of Workforce and Employment



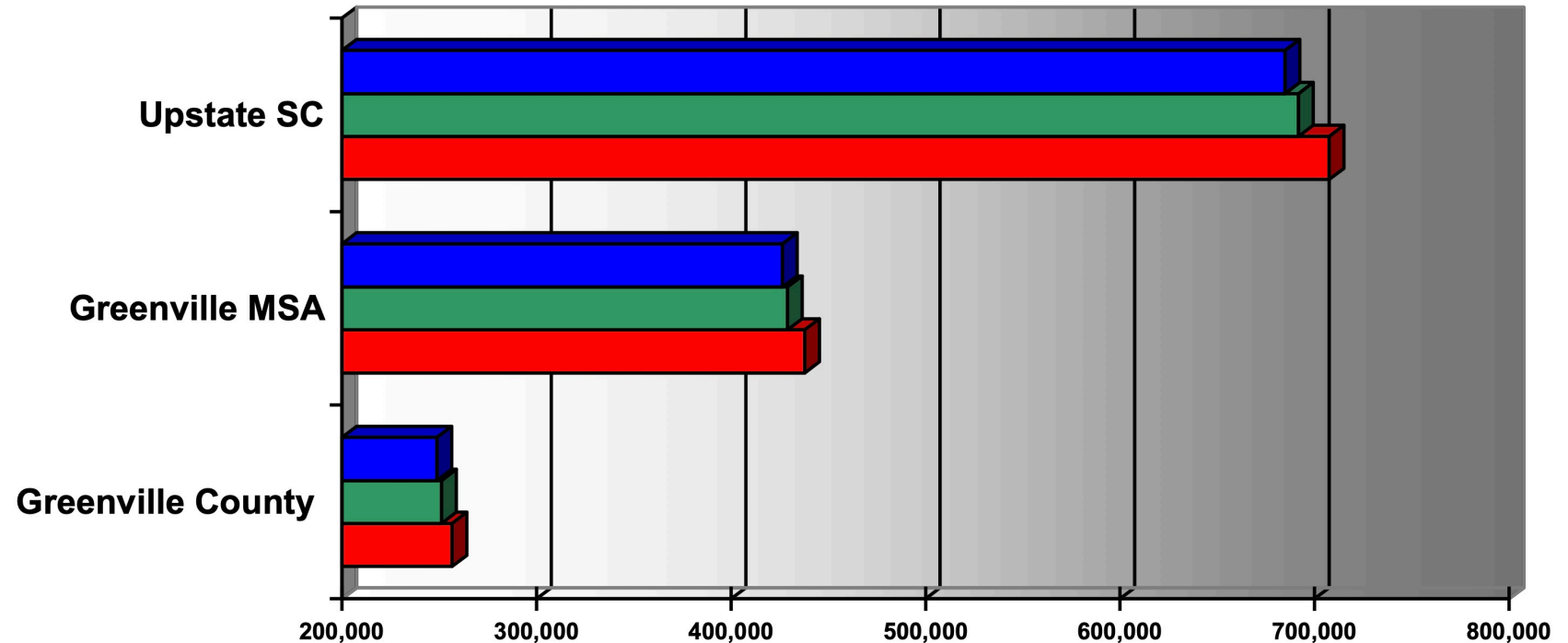
	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19
◆ Greenville County	3.1	2.9	2.8	2.9	3.1
■ Greenville MSA*	3.3	3.0	2.9	3.0	3.3
▲ Upstate SC	3.5	3.1	3.0	3.1	3.5

Source: Greenville Area Development Corporation

Market Statistics

Civilian Labor Force*

Source: SC Department of Employment and Workforce



	Greenville County	Greenville MSA	Upstate SC
■ Jun-17	248,840	426,373	684,914
■ Jun-18	251,232	428,957	691,758
■ Jun-19	256,550	437,979	707,598



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Source: Greenville Area Development Corporation

Market Statistics

Cost of Living for Selected Cities 2016-2019 Annual Average

Source: Infomomentum / www.coli.org

Year	Composite Index	Greenville, SC	Atlanta, GA	Charleston, SC	Asheville, NC
2016	Annual Average	93.7	98.7	104.0	95.6
2017	Annual Average	94.7	99.0	104.0	97.0
2018	Annual Average	95.6	101.8	100.7	97.4
2019	1 st Quarter	97.7	102.3	96.2	100.4

National Average = 100.0

Source: Greenville Area Development Corporation

Team Members



Brian Briscoe
Director of Operations

Brian is a Lieutenant Colonel in the United States Marine Corps and brings years of leadership and management experience to his real estate investments. As a Marine officer, he has proven his ability to plan, lead, and effectively accomplish missions in both training and combat situations. He has earned graduate degrees from both the University of Utah and Naval Postgraduate School and is currently stationed at the Pentagon. He has actively invested in real estate since 2007. Brian is an "Advisor" in Michael Blank's Deal Maker Mastermind and a member of Michael's "Elite Investor Club."



Todd Butler
Director of Finance

Todd is a native of North Carolina. He has been actively investing in Real Estate since 2014, including dozens of Single Family Homes and numerous Apartment Buildings. He is a graduate of UNC Chapel Hill where he received a BA in Political Science and a Minor in History. After owning a few small business he helped launch an IT consulting firm. He helped grow the firm to 110 MM before successfully merging with a nationally recognized consulting firm. Today he serves as Senior Vice President of Business Development as well as a member of the Senior Leadership Team.



Eric Shirley
Director of Acquisitions

Eric is from Columbia, South Carolina, and graduated from the College of Charleston with degrees in Biology and Business Administration. Since then, Eric has worked 12 years in sales with a Fortune 500 medical device company, winning numerous President's Club awards for high sales performance. He was also appointed to the President's Advisory Board and Sales Leadership Council. In addition to his passion for multifamily real estate, Eric controls a portfolio of residential properties in Columbia, SC. Eric is an "Advisor" in Michael Blank's Deal Maker Mastermind.



Brian Mallin
Director of Investor Management & Marketing

Brian is a native of Connecticut who has been active in real estate for over 15 years. He graduated from the University of Connecticut. During a successful sales career in commodities, Brian was responsible for over \$420M in revenue and consistently led his company in business acquisitions providing a distinct aptitude for building and maintaining business relationships.



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Service Team



Property Management –SDMC Southern Development Management – Founded in 1982 and now with a staff of 150, SDMC has emerged as one of the leading property management companies with properties from Connecticut to Florida under management.



Financing – ALINE CAPITAL

Aline Capital's team serves as a trusted advisor and takes a holistic approach to each transaction. Our firm's Principals and Commercial Real Estate Professionals have over three decades of commercial real estate experience spanning multiple market cycles.



Legal – Kelley Clarke, PLLC.

Dugan Kelley

Mr. Kelley chairs the firm's real estate practice group and brings over 18 years of experience to the table. Mr. Kelley will represent this investment group in all legal matters from contracting through final disposition.



Insurance – Tanner, Ballew and Maloof, Inc.

TB&M will appropriately insure these assets, and your investment, against loss.



Glossary of Terms

- **Capitalization Rate (Cap Rate)** – A rate of return on a real estate investment property based on the expected income that the property will generate. Capitalization rate is used to estimate the investor's potential return on his or her investment. This is done by dividing the income the property will generate (after fixed costs and variable costs) by the total value of the property.
 - When acquiring income property, the higher the capitalization rate ("Cap Rate"), the better.
 - When selling income property, the lower the Cap Rate the better.
 - A higher cap rate implies a lower price, a lower cap rate implies a higher price.
- **Cash Flow** – Cash generated from the operations of a company, generally defined as revenues less all operating expenses.
- **Cash on Cash (CoC)** – A rate of return often used in real estate transactions. The calculation determines the cash income on the cash invested.
 - *Annual Dollar Income Return / Total Equity Invested = Cash on Cash*
- **Debt Coverage Ratio (DCR)** – It is the multiples of cash flow available to meet annual interest and principal payments on debt. This ratio should ideally be over 1. That would mean the property is generating enough income to pay its debt obligations.
- **Return on Capital (ROC)** – The amount of net income returned as a percentage of shareholders capital.
- **Average Annual Return (AAR)** - excluding disposition – The average return per year during the investment hold.
- **Internal Rate of Return (IRR)** – The rate of return that would make the present value of future cash flows plus the final market value of an investment opportunity equal the current market price of the investment or opportunity. The higher a project's internal rate of return, the more desirable it is to undertake the project.



To reserve your position in this investment please contact:

Brian Mallin

brianmallin@fouroakscapital.com

Or simply visit your investor [portal](#)



F O U R
O A K S
C A P I T A L

Brian Briscoe

Todd Butler

Eric Shirley

Brian Mallin

Brian Briscoe *Todd Butler* *Eric Shirley* *Brian C. Mallin*



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