



PRESARIO  
VENTURES

# DEVELOP | REPOSITION | CASH-FLOW



Presario Ventures is **a private equity real estate firm** focused on investing in **multifamily** real estate assets on behalf of its investors. Our mission is to bring high-performing **institutional quality** investment opportunities, ROI focused **asset management**, and cloud-based **account servicing** to our private investor clients.

## DEVELOPMENT STRATEGY

- Target developments utilizing HUD 221 (d)(4) debt financing leveraging our HUD Sponsor approval.
- Partner on projects with local sponsors who have development and construction management experience.
- Target returns to our investors of 17%-22% IRR's or a 2X multiple by year five.
- Implement proven/creative structures with development partners to generate ongoing opportunities.

## REPOSITION STRATEGY

- Target opportunities using Short Term Mezz debt and convert to HUD 223 (f) debt financing.
- Partner on projects with local sponsors who have rehab management experience.
- Target returns that provide our investors 13%-15% IRR's or a 1.75X multiple by year five.
- Implement proven/creative structures with our rehab partners to create a win-win for our partners and investors.

## CASH-FLOW STRATEGY

- Target cash-flow acquisitions in proven markets using Short Term Mezz debt and convert to HUD 223 (f) debt financing.
- Primarily seek premium properties in growth areas with low risk for vacancy.
- Target returns that provide our investors 9%-12% IRRs or a 1.5X multiple by year five.
- Investors benefit from real estate's depreciation tax benefits while also having stabilized cash-flow.

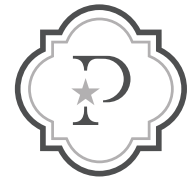
## ADVANTAGES OF HUD INSURED LOANS

- Typically the multifamily industry's highest leverage, lowest risk, and best-fixed rates.
- Allows for up to 40-year loans with 40-year amortization with fixed interest rates for the entire term.
- 3rd party underwriting for both development and acquisitions enhances project credibility.
- Annual 3rd party HUD audits enhance best practices for property management, reporting, and record keeping.

## PREFERRED GEOGRAPHY

- Primary and secondary markets in TEXAS, OKLAHOMA, and the prevailing Southwest.

# OUR INVESTMENT STRATEGIES IN ACTION



## RETREAT AT NORTH BLUFF

Austin, Texas

Retreat at North Bluff was structured around a Public Private Partnership (P3) with the City of Austin. Financing was insured through a HUD 221 (d)(4), 40-Year fixed rate mortgage loan.

The City of Austin needed to increase their available affordable housing inventory and through a cooperative progression, Presario's founders structured a deal that provided a percentage of affordable housing units ranging from 30% to 120% MFI in a Class A multifamily apartment complex. The equity provided for the project was a combination of General Obligation Bond funds, Sponsor and Private Equity. The Private Equity investors received annualized double-digit returns and in 2016, the project was refinanced using a HUD 223 (f) loan to recapitalize the equity investors for a total return of 1.8X in less than six years. Currently, all investors remain in the project and continue to see robust returns. Through the willing process from all parties, Presario's founders helped the City of Austin with their housing needs while delivering to their investors exceptional financial value for short, and long-term investment returns.

Retreat at North Bluff has received frequent recognition for affordability, green building, management, creativity, and the P3 relationship.



## PROPERTY METRICS

YOC: **Completed in 2011**

UNITS: **240**

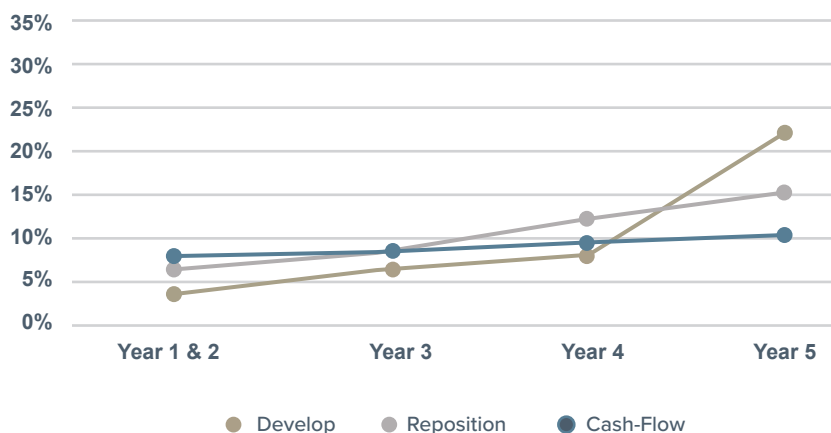
INITIAL EQUITY: **2.5MM**

MULTIPLE: **1.8X BY YEAR SIX**

CURRENT PROJECT CASH-FLOW: **13%**

*Retreat at North Bluff is an example using HUD leverage debt for development, a recapitalization through a refinance, and repositioning for long-term cash-flow.*

## YIELD TIMING



## DEBT STRUCTURES

