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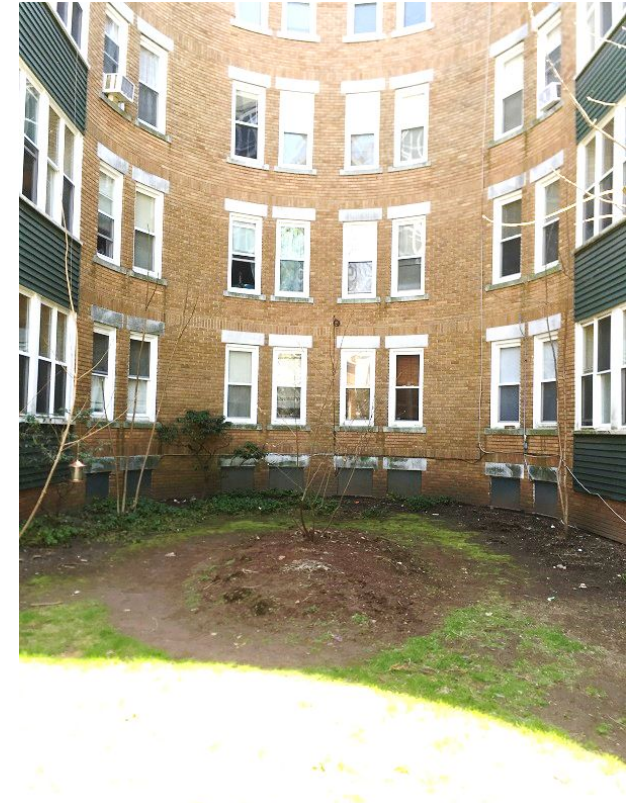
# THE PACKARD MULTI-FAMILY APARTMENTS

A CASE STUDY IN VALUE-ADD

# THE ACQUISITION

The Packard Apartment building, located in West Hartford, Connecticut, was purchased by CSRE Acquisition Group in 2016. While the building was situated in a prime, Class A area -- with easy access to employment, education, and recreational opportunities -- it was run down, reflecting decades of wear and neglect.

CSRE's leadership, Alan Tress and Chesky Landau, saw past the surface. They saw what The Packard had once been and what it could become -- a modern property, attractive to today's discerning tenants while showcasing its old-school charm.



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# THE ACQUISITION



# BEFORE: PROPERTY OVERVIEW

Built in 1925, The Packard consisted of 74 apartments, ranging from one to three bedrooms. The building's vintage-style architecture had a 1920's flair, but had not been renovated in decades. The apartments lacked modern amenities and externally, there was little curb appeal. Purchased for \$7,950,000, CSRE allocated a \$2.6 million budget to update the property.





# RENOVATION STRATEGY

Applying their signature mix of thorough research and targeted renovations, CSRE was successful at pinpointing the specific updates needed to revitalize the property. They were able to maximize the Packard's value and its appeal to their target market of millennials and urban professionals.

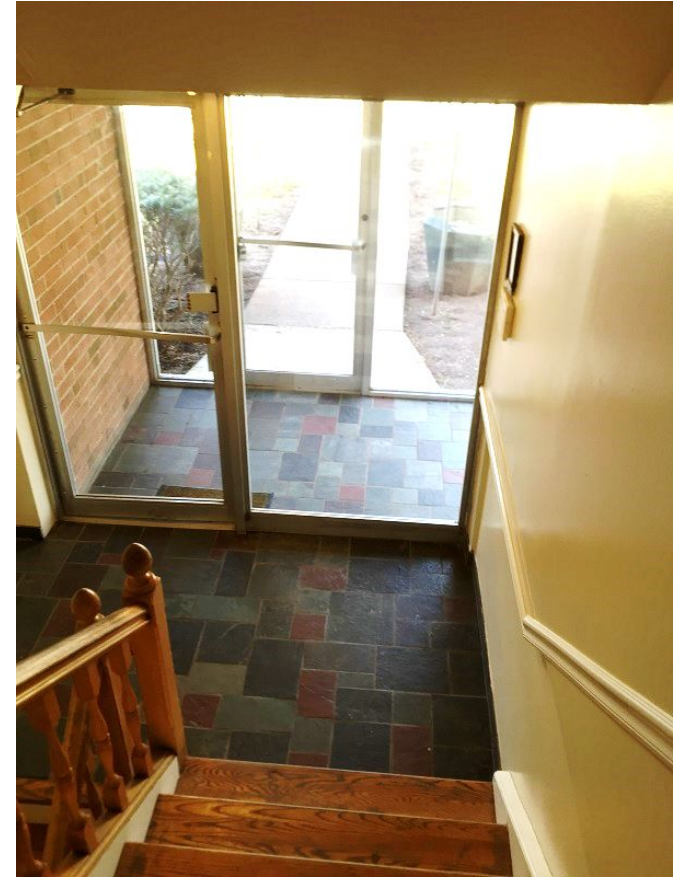
CSRE leveraged their strong industry connections and their extensive understanding of construction and multi-family housing and design trends. Reducing costs and maximizing efficiency, the renovations were handled in-house by CSRE's proprietary management company.



# BEFORE: PROPERTY EXTERIOR



# BEFORE: PROPERTY COMMON AREAS





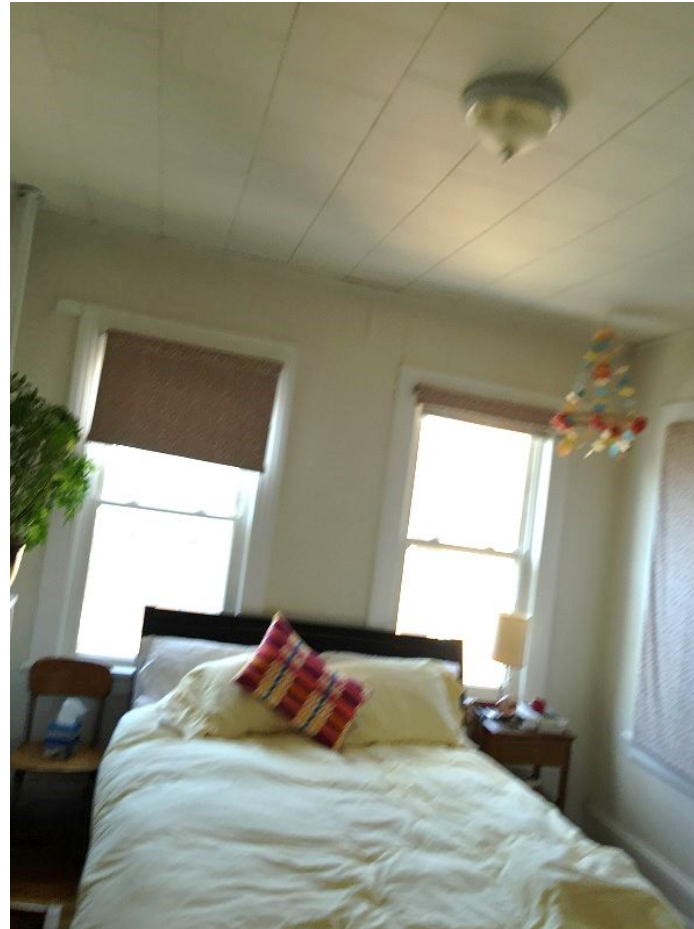
# BEFORE: APARTMENT INTERIORS





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# BEFORE: APARTMENT INTERIORS



# PROPERTY OVERVIEW

In Place @ Closing				UW/Business Model Projected Rents			Current Asking Rents			Variance Monthly Actual vs UW/Business Model	
Sq Ft	Rent	per Sq Ft	Total	Rent	per Sq Ft	Total	Rent	per Sq Ft	Total	Increase \$	Variance (% Increase)
801	\$919	\$1.15	\$22,064	\$1,100	\$1.37	\$26,400	\$1,475	\$1.84	\$35,400	\$375	34%
1000	\$1,050	\$1.05	\$3,150	\$1,300	\$1.30	\$3,900	\$1,745	\$1.75	\$5,235	\$445	34%
575	\$830	\$1.44	\$8,295	\$1,100	\$1.91	\$11,000	\$1,395	\$2.43	\$13,950	\$295	27%
725	\$950	\$1.31	\$18,045	\$1,350	\$1.86	\$25,650	\$1,495	\$2.06	\$28,405	\$145	11%
1000	\$1,100	\$1.10	\$1,100	\$1,550	\$1.55	\$1,550	\$1,795	\$1.80	\$1,795	\$245	16%
1,300	\$1,500	\$1.15	\$1,500	\$1,800	\$1.38	\$1,800	\$1,800	\$1.38	\$1,800	\$0	0%
2,100	\$1,438	\$0.68	\$23,008	\$2,700	\$1.29	\$43,200	\$2,500	\$1.19	\$40,000	-\$200	-7%
<b>77,649</b>			<b>\$77,162</b>			<b>\$113,500</b>			<b>\$126,585</b>	<b>\$13,085.00</b>	<b>12%</b>
<b>1,049</b>	<b>\$1,043</b>	<b>\$0.99</b>		<b>\$1,534</b>	<b>\$1.46</b>		<b>\$1,711</b>	<b>\$1.63</b>			

# RENOVATION IMPACT

## VALUE ADDED TO ASSET BASED ON RENT VARIANCE BTWN UW & ACTUAL

Additional Annual Cash Flow	\$ 157,020
Cap Rate	6.00%
Added Asset Value	\$ 2,617,000

## VALUE ADDED TO ASSET BASED ON NOI VARIANCE

NOI at Purchase	\$317,025
Current NOI	\$896,416
Increase %	183%



- **Original Property Features** - The Packard was an apartment building that had “great bones” but had been neglected by past owners for decades. As a result, the building’s charm was tarnished and the property looked rundown. While the structural elements were sound and the location was highly desirable, the apartment building had lost its aesthetic appeal and lacked standard elements of modern living.
- **Renovation Goal** - The aim was to create a building that would appeal to professionals looking to rent an apartment with convenient access to employment, transportation and entertainment. An iconic landmark building, The Packard was ideally situated. The challenge was to retain the building’s 1920s flair while modernizing the kitchens, bathrooms, lighting, hardware, doors, and common areas.

CSRE allocated \$30,000 per door to update each apartment. They also installed an indoor fitness center and coffee bar, as well as an outdoor atrium Wi-Fi area. A bike-sharing program was created in conjunction with the City of West Hartford.
- **Opportunities Captured** - Instead of demolishing the asset, CSRE took a property with no amenities, modern conveniences or updated spaces and turned it into a highly-amenitized, updated building that retained its vintage feel. The Packard, which had become an eyesore in the community, was restored to its original grandeur and added to the West Hartford Historical Society’s tour.

# THE PACKARD RENOVATION

Before.....



After.





# AFTER: PROPERTY EXTERIOR

Exterior renovations included updating the roof, hallways, landscaping, exterior, walkways and amenities for tenants.





# AFTER: PROPERTY EXTERIOR

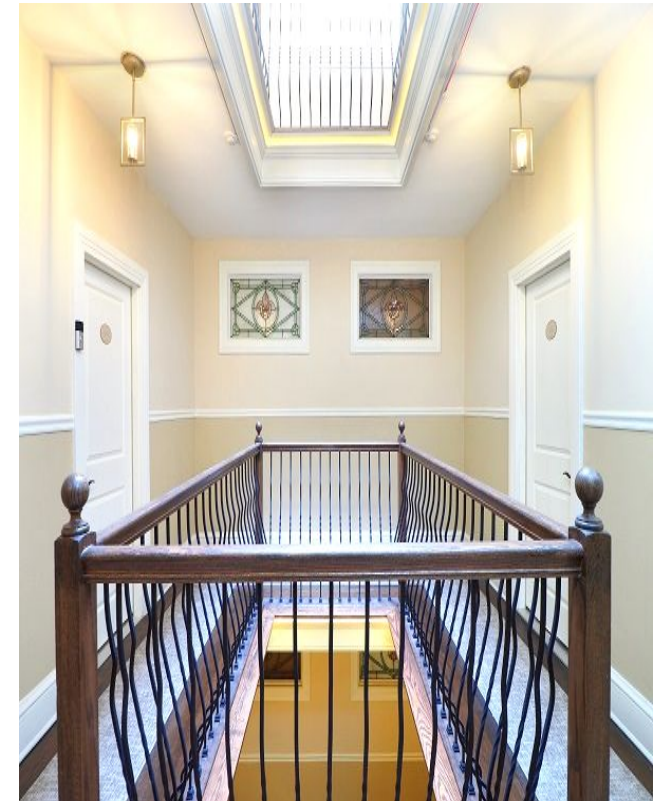




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# AFTER: PROPERTY COMMON AREAS

Interior renovations included updating of the lobby, elevator, and hallways.



# AFTER – PROPERTY INTERIOR

Interior renovations also included adding a modern fitness center for residents.





# AFTER: APARTMENT INTERIORS

All apartment kitchens and bathrooms were updated with stainless steel appliances, modern finishes and fixtures, updated lighting and flooring and a clean palate of light, bright hues to optimize the space.



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# AFTER: APARTMENT INTERIORS

Larger apartments also received additional features such as modern light fixtures, crown moldings, solid surface countertops, and tile backsplashes.





MODERN, BRIGHT & OPEN  
INTERIOR FINISHES



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# FOR MORE INFORMATION

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