
CASE STUDY: VISTA VILLA APARTMENTS

Vista Villa Apartments

A 238 unit garden apartment community constructed in 1968 located in Charlotte, NC. This property was acquired in late 2016. Immediately after closing, ownership embarked on a \$1,000,000 improvement program addressing deferred maintenance as well as performing interior unit upgrades. **The property was purchased for \$13.2M in July of 2016. In 2018, the asset refinanced at which time 80% of the invested capital was returned as the asset was valued at \$22.65M. In the summer of 2020, the project was refinanced again where another 45% of the original capital investment was returned. The mark to market value of the asset in 2023 is estimated to be \$41M.**

<https://www.lifeatvistavilla.com>

Specific asset management strategies employed to enhance revenue and asset quality are listed on the following slide:



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INTERIOR VALUE-ADD

EXTERIOR VALUE-ADD

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- Unit Upgrades:
 - Interior Renovation Strategy – Fully renovate units as tenants vacate. Scope of renovation includes the following:
 - Replacing hardware and appliances
 - Replacing cabinets and countertops
 - Restoration of original hardwood floors
 - Water Conservation Program:
 - Replaced antiquated shower heads and aerators
 - Installed low-flow toilets
- Curb Appeal Enhancement:
 - Resurfacing the parking field and concrete repairs
 - Install new playground
 - Improved landscaping
 - Deferred Maintenance:
 - Roof Replacement
 - Window Replacement
 - Drainage work

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The results of the employed strategies are as follows:

Key Financial and Operational Data Points:

Metric	At Acquisition – July 2016	January 2023
Total Monthly Revenue	\$161,000	\$260,000
Occupancy	96%	98%
Monthly Water & Sewer Charge before and after water conservation system	\$7,407	\$5,900 – savings of \$18,00 annualized on a project cost of \$14,000
Renovation Rent Premium	Avg of \$60/mo	Avg of \$170/mo
Run Rate NOI	\$970,000	\$1,925,000
Annual ROI	Budget – 10.5%	Actual – 7% after 130% return of capital