

# LIMITED INVESTMENT OPPORTUNITY

## CHAMPIONS POINTE APARTMENTS

224 UNITS- HOUSTON, TX

- In-Demand Location
- Class B Houston Neighborhood
- Untapped value-add characteristics
- Strong, consistent cash flow

\*Sophisticated investors only

3-5 Yr  
Investment  
Timeframe

2.2x  
Capital  
Multiple

6.8%  
Cashflow  
Return

23.3%  
Average  
Annual Return

~\$40K  
Tax Write-Off on  
\$100k Capital



**W** WESTWORTH  
CAPITAL PARTNERS



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# ASSET OVERVIEW

- Class B property built in 1984 located in the popular Willowbrook/Champions/Ella Houston submarket
- 224 well-maintained units with untapped value-add potential in 100% of the units
- The Area Median Income in the area is \$95,200 (Fannie Mae)
- Conservative assumptions used for future rent growths, expenses and capital budget





# SOME CURRENT HOLDINGS AS SPONSORS



## The Cape Apartments

Houston, TX

Units: 228

Purchase Price: \$27,600,000

Status: Ongoing Project



## Vista Del Lago Apartments

Dallas, TX

Units: 320

Purchase Price: \$30,000,000

Status: Ongoing Project



## Grove at Seabrook

Houston, TX

Units: 132

Purchase Price: \$15,220,000

Status: Ongoing Project



## Pityn On Degeer

Saskatoon, SK

Units: 72

Purchase Price: \$7,500,000

Status: Refinanced

Refinance Price: \$12,000,000



## Pityn On 3rd Ave

Saskatoon, SK

Units: 39

Purchase Price: \$4,100,000

Status: Refinanced

Refinance Price: \$5,500,000



## Pityn On Clarence

North Bay, ON

Units: 23

Purchase Price: \$1,700,000

Status: Refinanced

Refinance Price: \$4,200,000



# STRATEGIC PARTNERS



**SWAFFORD**  
LAW FIRM, LLC



**PREMIER**  
LAW GROUP



**MADISON**  
**S P E C S**



ROI BYDESIGN

**MICHEL**  
**GRAY &**  
**ROGERS** LLP  
PROPERTY TAX ATTORNEYS





# OFFERING SUMMARY



## ACQUISITION TERMS

- Purchase Price: **\$16,800,000**
- Equity: **\$8,000,000**
- **5%** interest rate
- **3 yr** interest only
- Refinance by end of **3rd year**
- **\$100k** Investment Minimum



## CLASS B ASSET IN AN IN-DEMAND AREA

- Area of supply/demand imbalance
- Job growth and population growth
- Quality Spring ISD
- Highly visible assets located near major economic drivers
- Location attracts institutional and private capital upon a sale



## BEST POSSIBLE FINANCING IN THE CURRENT MARKET

- We secured a favorable **5%** owner-financed interest rate, made possible by our strong relationship with the broker, who successfully facilitated the sellers role as the lender



## CAPITAL STACK

- Senior Financing
- ⇓
- Limited Partners
- ⇓
- General Partners

## PROJECTED RETURNS

### ANNUAL CASHFLOW



**6.8%**

### AVERAGE ANNUAL RETURN



**23.3%**

### HOLD PERIOD



**3-5 YRS**



# INVESTMENT HIGHLIGHTS

## GREAT LOCATION

- Situated in an unincorporated part of Northwest Houston, Harris county - the 3rd most populous county in the nation, with more residents than 24 states - it's an area with a mix of white- blue-collar workforce demographics.
- Located in the Camden Park residential neighborhood, which offers convenient access to major freeways, employment centers, universities, public parks, and more.
- The property has good visibility off of Spears Rd., Antoine Dr., and Veterans Memorial, which is within walking distance of the property and is lined with retail, grocery stores, eateries as well as financial institutions.
- Located within the Spring Independent School District, the property offers access to public transportation, and both the elementary and middle schools are within walking distance. School bus pick-up and drop-off services are also available.

## VALUE-ADD OPPORTUNITY

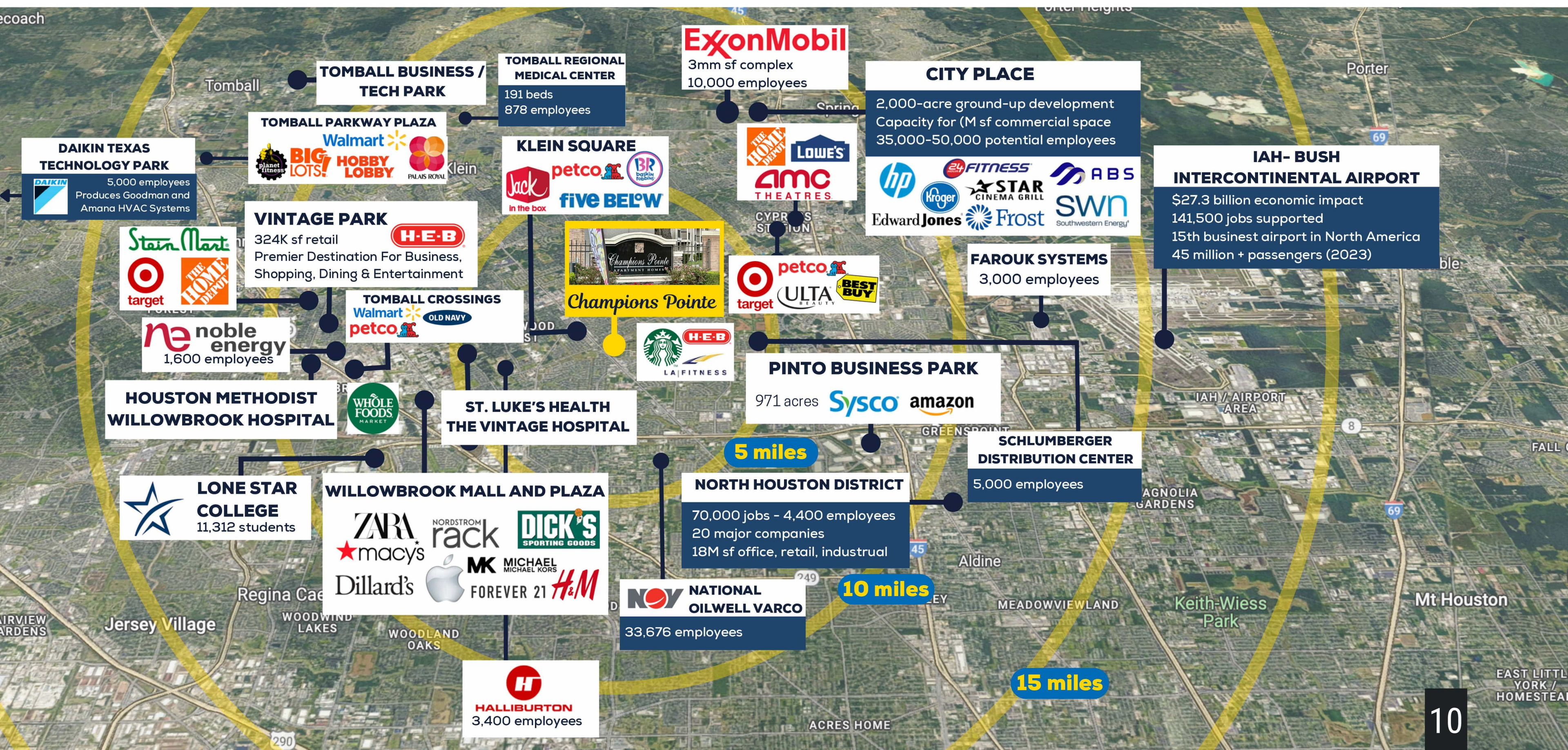
- 100% of the property's units are in classic condition, presenting substantial opportunities for upgrades and potential rent increases. Notably, the area boasts a higher average occupancy rate than Houston, further enhancing the potential for significant returns.
- Unique features, such as revitalizing the currently filled-in pool area and transforming the worn-out tennis court into a brand-new 5-a-side soccer turf, could significantly enhance the property's appeal for residents and drive investment interest.
- By adding new cabinets and pulls, stainless steel appliances, stone countertops, upgraded lighting, and tech packages, we can increase top-line revenue by \$1.3 million and value by \$10 million by year 5

## NEAR MAJOR EMPLOYERS

- Champions Pointe benefits from a strategic location, providing easy access to major employment centers, including downtown Houston, the Texas Medical Center (TMC), Willowbrook Methodist Medical Center, the Beltway 8 corridors, Intercontinental Airport, and the Central Business District—all within a 15-minute commute.
- With over 75% of Harris County's workforce in white-collar professions, easy access to these key areas is essential. The Texas Medical Center, the largest medical center in the world, employs approximately 106,000 individuals.



# LOCATION AERIAL VIEW



**DAIKIN TEXAS TECHNOLOGY PARK**  
5,000 employees  
Produces Goodman and Amana HVAC Systems

**TOMBALL BUSINESS / TECH PARK**

**TOMBALL PARKWAY PLAZA**  
Walmart  
BIG LOTS! HOBBY LOBBY PALAIS ROYAL

**VINTAGE PARK**  
324K sf retail  
Premier Destination For Business, Shopping, Dining & Entertainment  
H-E-B

**TOMBALL CROSSINGS**  
Walmart  
petco OLD NAVY

**HOUSTON METHODIST WILLOWBROOK HOSPITAL**  
WHOLE FOODS MARKET

**LONE STAR COLLEGE**  
11,312 students

**WILLOWBROOK MALL AND PLAZA**  
ZARA NORDSTROM rack DICK'S SPORTING GOODS  
macy's MK MICHAEL MICHAEL KORS  
Dillard's Apple FOREVER 21 H&M

**HALLIBURTON**  
3,400 employees

**TOMBALL REGIONAL MEDICAL CENTER**  
191 beds  
878 employees

**KLEIN SQUARE**  
Jack In the box petco BR  
five BELOW

**Champions Pointe**  
Champions Pointe APARTMENT HOMES

Starbucks H-E-B  
LA FITNESS

**ST. LUKE'S HEALTH THE VINTAGE HOSPITAL**

**NORTH HOUSTON DISTRICT**  
70,000 jobs - 4,400 employees  
20 major companies  
18M sf office, retail, industrial

**NATIONAL OILWELL VARCO**  
33,676 employees

**ExxonMobil**  
3mm sf complex  
10,000 employees

THE HOME DEPOT LOWE'S  
AMC THEATRES

target petco  
ULTA BEST BUY

**PINTO BUSINESS PARK**  
971 acres  
Sysco amazon

**SCHLUMBERGER DISTRIBUTION CENTER**  
5,000 employees

**CITY PLACE**  
2,000-acre ground-up development  
Capacity for (M sf commercial space  
35,000-50,000 potential employees

hp 24 FITNESS ABS  
Kroger STAR CINEMA GRILL Edward Jones Frost Swn Southwestern Energy

**FAROUK SYSTEMS**  
3,000 employees

**5 miles**

**10 miles**

**15 miles**

**IAH- BUSH INTERCONTINENTAL AIRPORT**  
\$27.3 billion economic impact  
141,500 jobs supported  
15th busiest airport in North America  
45 million + passengers (2023)



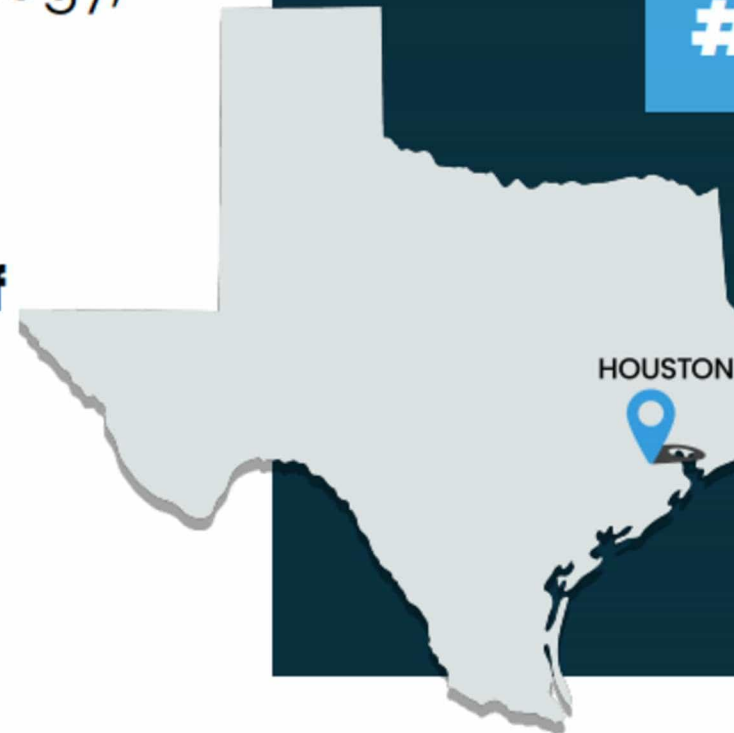
# STRONG MARKET FUNDAMENTALS

Houston Is The 4th Largest MSA In The Nation And Has One Of The Most Thriving And Diversified Economies In The World.

Houston ranks **#1** and **#3** for total population and job growth through 2025, respectively, just behind New York and Los Angeles. In addition, Houston is ranked second in projected net migration at 296.8K. (Moody's)

Houston's **employment base has become increasingly diverse**. In 1981, the economic base was dominated by energy-related businesses, with nearly 85 percent of all jobs in those sectors. Today, nearly half of all jobs are in non-energy fields, such as business services, technology, aerospace, medicine, and manufacturing.

Bolstered by the recent headquarters relocations of Hewlett-Packard Enterprise, Exxon and NRG Energy, Houston now has the **third-largest concentration of Fortune 500 companies in the nation**.



## HOUSTON, TX

#2

**Corporate Headquarters**  
(Business Facilities, 2023)

#2

**2nd Fastest Growing Metro Area In America**  
(US Census Bureau, 2023)

#3

**Top Metro By New & Expanded Corporate Facilities**  
(Site Selection Magazine 2023)

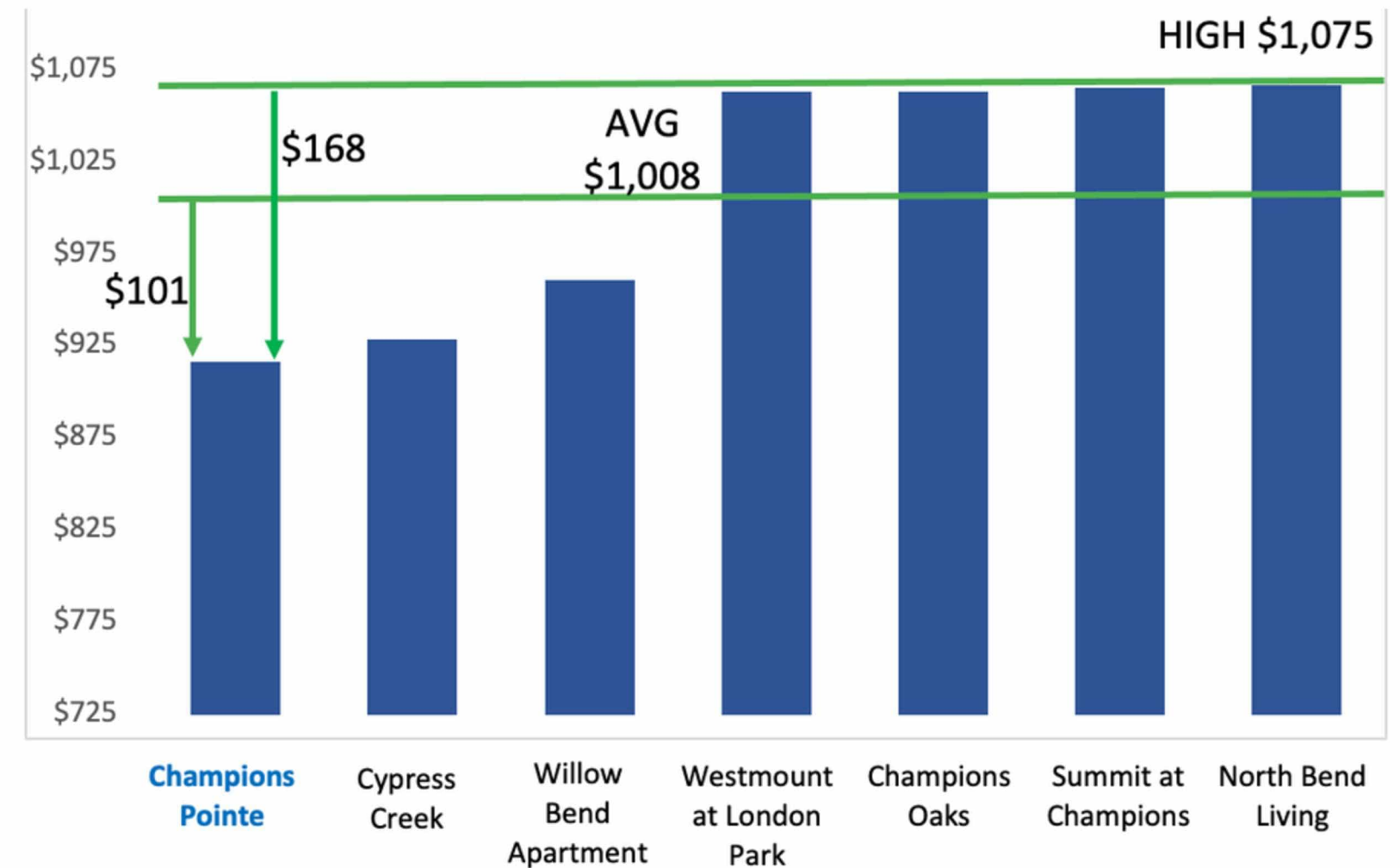
#5

**Best City For International Investment**  
(Axios Houston 2022 )



# VALUE PROPOSITION

- Over the past 31 years, Champions Pointe has not achieved maximum efficiency due to the owner's limited focus on upgrading the units and keeping pace with market rents
- Incredible opportunity to increase the asset value by **\$10.8M** by Year 5 through executing our proven value-add strategy



Property Name	Dist. (mi)	Year Built	# of Units	Avg Sqft	Occupancy %	1BR	2BR	Avg/Unit	Avg/SF
North Bend Living	1.67	1983	282	754	95.4%	\$967	\$1,290	\$1,075	\$1.41
Summit at Champions	1.83	1983	272	697	82.0%	\$916	\$1,300	\$1,038	\$1.40
Champion Oaks	2.42	1984	252	761	98.8%	\$953	\$1,245	\$1,035	\$1.30
Westmount at London Park	1.99	1982	257	815	95.7%	\$877	\$1,347	\$1,016	\$1.49
Willow Bend Apartments	1.52	1980	333	785	90.7%	\$912	\$1,222	\$1,016	\$1.51
Cypress Creek	1.76	1983	256	691	94.5%	\$820	\$1,196	\$871	\$1.31
<b>Average</b>				<b>758</b>	<b>91.5%</b>	<b>\$908</b>	<b>\$1,267</b>	<b>\$1,008</b>	<b>\$1.40</b>
<b>Champions Pointe</b>	--	<b>1984</b>	<b>224</b>	<b>734</b>	<b>91.0%</b>	<b>\$792</b>	<b>\$1,022</b>	<b>\$907</b>	<b>\$1.24</b>
						<b>\$116</b>	<b>\$245</b>	<b>\$101</b>	<b>\$0.17</b>



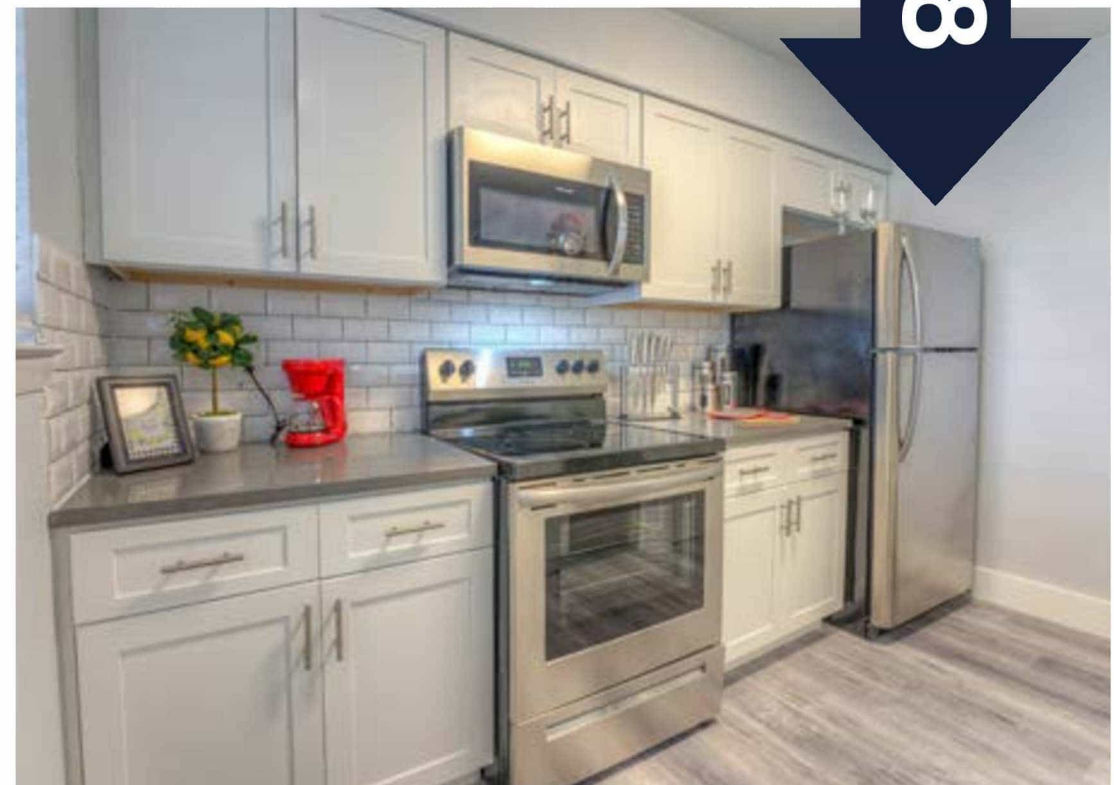
# VALUE-ADD COMPONENTS

	Classic	Full*	Premium
Total # of Units	214	10	0
Percentage of Property	96.00%	4.00%	
<b>Avg. Upgrade Premium over Classic</b>	N/A	\$49	\$168
Current Owner Upgrades			
Appliances	White	White	Stainless Steel / Black
Cabinets	Classic Painted Wood	Painted	New Cabinet Faces & Hardware
Countertops	Formica	Formica	Granite
Sinks	Overmount	Overmount	Undermount
Faucet	Standard	Standard	Gooseneck
Common Area Flooring	Carpet / Laminate	Laminate	Luxury Vinyl Plank
Kitchen Backsplash	Classic Tile	Classic Tile	Modern Tile
Framed Bathroom Mirrors	No	No	Yes
Lighting	Standard	Standard	Updated Fixtures

\*Full units are primarily classic units which have undergone as need replacements upon the unit turning. Some of these replacements include new appliances, touch up paint, and vinyl plank or carpet flooring.



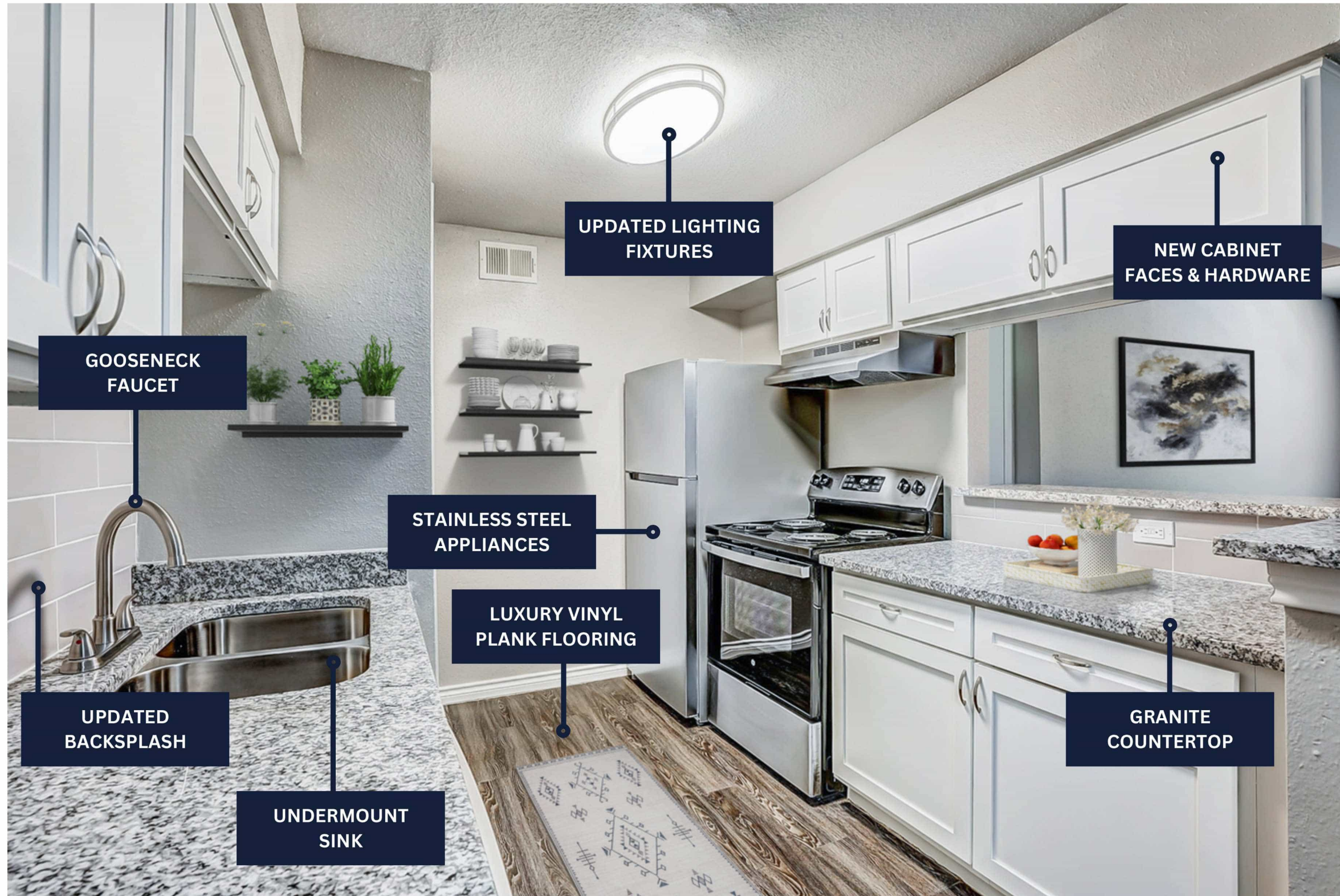
\$168





# UNTAPPED VALUE-ADD COMPONENTS

100% (224) units are available for premium upgrades to command hire rents. We plan to implement its interior value-add program in only 112 units to include:



Renovated units receive an average

## +\$168

premium rents based on competing properties. This component alone adds **\$4.1M** to the asset valuation





# BUSINESS PLAN

- We are focusing on unit upgrades and amenity improvements
- **\$1.3M** will be used for both interior and exterior upgrades
- We will upgrade **112 units** to our premium level with new backsplashes, granite countertops, stainless steel appliances, paint, lighting, luxury vinyl plank flooring, and smart home features in select units, leaving 112 units in classic condition for our next buyer. This practice is called “leaving meat on the bone”
- These upgrades of 112 units and exterior improvements will command even higher rents, and **boost investor returns**, increasing the property value by over **\$10M** by **Year 5**



# BUSINESS PLAN

Other revenue drivers from amenity upgrades are:

- Install washer and dryer for rental in units
- Add internet package in units
- Install only 60 rental carports
- Capture missing pet fees and rent
- Reinstate pool area and set up for tenants to rent for family events and gatherings
- Install pergola and poolside furniture
- Convert the outdated tennis court into a new, high-quality soccer turf
- Upgrade the leasing office
- Install playground and dog park for residence satisfaction



# TAX SAVINGS VIA COST SEGREGATION

A cost segregation study can be a powerful way to maximize depreciation deductions and minimize the tax burden for commercial property owners who acquire or develop real estate. A cost segregation study is a process that looks at each element of a property, splits them into different categories, and allows you to benefit from an accelerated depreciation timeline for some of those building components.

## Sample based on \$100k investment:

A \$100k investment in Champions Pointe may result in a Year 1 “paper loss” of around \$40k, representing a 40% loss ratio. Make sure you connect with your CPA to see how you can take advantage of this added benefit.

\*Please check with your tax and legal professional as neither Sponsor nor its affiliates provide tax or legal advice and the above is not intended to nor should be construed as such advice. Your specific circumstances may, and likely will, vary.

**\$100K INVESTMENT**

**\$40K**

Estimated Year 1 Paper Loss

(40% Year 1 ratio)





# PROPERTY PHOTOS

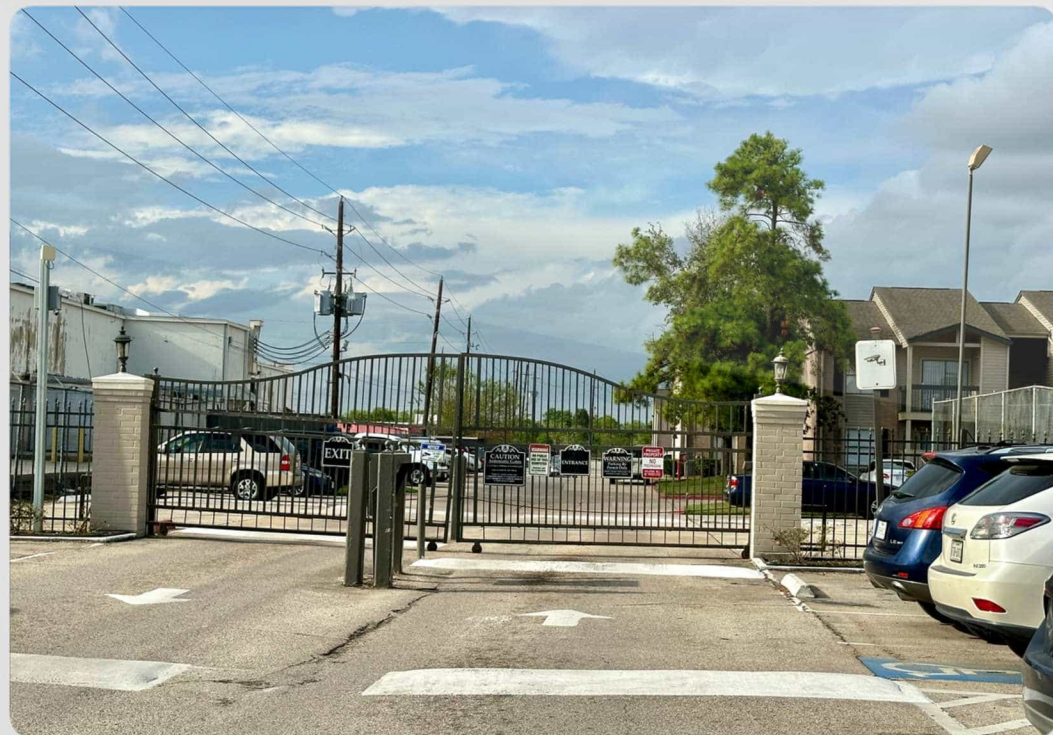
WESTWORTH CAPITAL





# PROPERTY PHOTOS

WESTWORTH CAPITAL





# INVESTMENT MINIMUM: \$100K



Average Cash on Cash Return	6.8%
Equity Multiple	2.2x
Average Annualized Return	23.3%
Year 1 Bonus Depreciation	~40%+
Profit Split (prior to projected investor returns*)	LP 76% / GP 24%

SAMPLE \$100k INVESTMENT- LIMITED PARTNERS							
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Equity Investment	(\$100,000.00)						
Cash Flow Indicator (6.8% AVG)		7.45%	7.02%	7.34%	5.91%	6.25%	
Cash Flow Distributions- LP		\$7,450.00	\$7,020.00	\$7,340.00	\$5,910.00	\$6,250.00	\$33,970.00
Return of Capital- LP						\$100,000.00	\$100,000.00
Return from Sale- LP							\$83,030.00
<b>Total Return (LP)</b>	<b>(\$100,000.00)</b>	<b>\$7,450.00</b>	<b>\$7,020.00</b>	<b>\$7,340.00</b>	<b>\$5,910.00</b>	<b>\$106,250.00</b>	<b>\$217,000.00</b>

\*Real estate investing involves many risks, variables, and uncertainties. No representations or warranties are made that the Company will, or is likely to, attain the returns shown above since hypothetical or simulated performance is not an indicator or assurance of future results.



# WHY INVEST WITH US?



## Track Record

- Successfully owned, managed, and recapitalized multifamily assets in the U.S. and Canada
- 45+ years collective experience



## Market Knowledge

- In-depth market research
- Areas of positive migration and favorable rental laws



## Risk Management

- Comprehensive due diligence and property analysis
- Vertically integrated asset management for effective investor communication



## Investor Returns

- 3-7yr hold with typically 2x Equity Multiple Exits
- Average 6% cash on cash return
- IRR 17 - 22%
- Quarterly distributions

FEE DISCLOSURE		
Asset Mgmt Fee	<b>2%</b>	Percent of total revenue paid monthly to asset manager
Acquisition Fee	<b>2%</b>	Percent of purchase price
Refinance Fee	<b>0%</b>	Percent of proceeds from refinance
Disposition Fee	<b>0%</b>	No additional fees at sale

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# FREQUENTLY ASKED QUESTIONS

## **Why is the seller selling?**

Champions Pointe is self-managed by an owner-operator who has owned the asset for 31 years and is now looking to retire. We reached an agreement with the seller through our longstanding relationship with the broker, who brought us this deal off-market. The seller has built significant equity in the property, which means they are not under pressure to sell at an unreasonable profit.

## **Can I use my IRA to invest?**

Yes, you can invest from IRA, cash, or other investment vehicles

## **Is this property located in a Flood Zone?**

The property is located in a Zone X area as designated by FEMA. Zone X areas are areas of minimal flood risk, which means they have a very low probability of flooding. Specifically, Zone X areas are outside the 100-year and 500-year floodplains, meaning that there's less than a 0.2% annual chance of flooding in these areas.

Properties in Zone X do not generally require flood insurance, as they are considered to be at lower risk. Overall, being in Zone X makes this property more favorable for potential buyers and investors who may want peace of mind regarding flood risk.



## NEXT STEPS: HOW TO INVEST

- STEP 1** Be an Accredited Investor or Sophisticated Investor with a prior relationship with one of the sponsors
- STEP 2** Sponsor will send material via email link to the Portal. Review materials, ask questions and get a good understanding of the investment opportunity.
- STEP 3** Read and electronically sign the legal documents:
- Investor Questionnaire
  - Private Placement Memorandum
  - Company Agreement
  - Subscription Agreement
  - Investor Presentation
- STEP 4** Sponsors will review, approve and notify investor before sending Wire Instructions
- STEP 5** Wire Funds within 72 hours or your spot may be jeopardized



Want to join this deal for immediate cash flow? Let's talk!

🚀 Here's to a prosperous partnership! 🥂

**THANK YOU**



## **WESTWORTH CAPITAL PARTNERS**

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