

FORTY ACRES CAPITAL

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Executive Summary

Forty Acres Capital, on behalf of the **Bevo Investment Fund**, is evaluating the investment potential of two multifamily properties — **Ten Oaks** in Austin and **Park Hill** in Denver — to determine which offers superior long-term value. The decision will be based on market dynamics, demographic trends, financial projections, and economic growth factors in each city. Our analysis will ensure that the selected property aligns with the fund's investment strategy and maximizes returns.

Ten Oaks

Type	Multifamily
Size	183,567 SF
Units	192
Unit Size	952 SF
Vacancy	4%

Park Hill

Type	Multifamily
Size	153,174 SF
Units	168
Unit Size	945 SF
Vacancy	11%

Exploring Park Hill

Connectivity

	Central Business District	—
	Cherry Creek Shopping Center	7mi
	City Park	6mi
	Sam's club	2mi
	Denver Tech Center	3.8mi
	Denver International Airport	15mi
	University of Colorado Denver	17.5mi



Park Hill Financial Projections

Year	1	2	3	4	5	6	7	8	9	10	11
Rent Growth Rate	-1.00%	0.00%	2.00%	2.50%	3.00%	3.00%	3.00%	2.00%	2.00%	2.50%	2.50%
Vacancy Rate	10.50%	10.50%	10.00%	9.00%	8.80%	8.50%	8.25%	8.00%	8.00%	8.00%	8.00%

Market Recovery
Years 3 - 5

Stabilization
Years 7 - 10

Significant New Supply
Years 0 - 3

Gradual Increase
Years 5 - 7

IRR: 8.54%

NPV: \$3.8M

Hurdle: 7.00%

Park Hill Submarkets

Submarkets

Transportation/Maint	1mi- \$26,998	3mi- \$454,255	5mi- \$1,441,905
Entertainment & Hobbies	1mi- \$15,387	3mi- \$282,784	5mi- \$908,376
Healthcare	1mi- \$4,432	3mi- \$84,167	5mi- \$272,379
Education	1mi- \$6,341	3mi- \$146,757	5mi- \$474,165

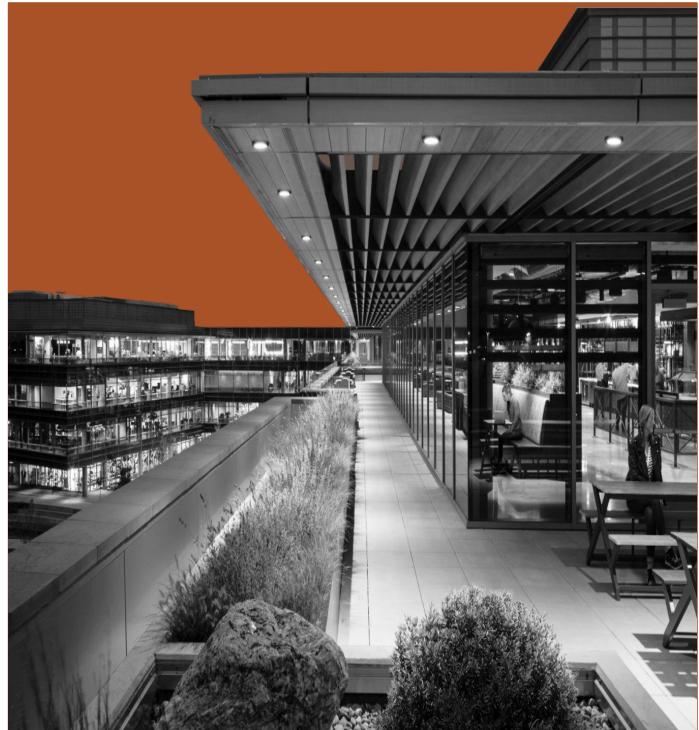
Insights

- Easy access to major highways like I-70, public transportation options are also available.
- Proximity to local public schools, including Bromwell elementary school, McAuliffe International School, and East High School.
- Direct access to Park Hill Golf Club.

Park Hill	1-MILE	3-MILE	5-MILE
Median Age	35	35	36
Population Growth	0.13%	1.19%	2.01%

Denver Growth Stimulants

- **Technology**
 - **Google:** Investing \$150M to expand Boulder campus, adding 1,500 jobs by 2025.
 - **Amazon:** Opened Aurora fulfillment center, creating 1,000+ jobs in 2023.
- **Other Sectors**
 - **Major Corp Presence:** Home to 10 Fortune 500 companies, including Arrow Electronics and Dish Network.
 - **Service Sector:** Added 30,100 jobs, driven by growth in healthcare, education, and professional services.
- **Talent and Retention**
 - **Major Universities:**
 - UCD – 67% retention in state
 - UD – 69% retention in state
 - **Median Age:** 30% of population is between ages 20 and 34



Exploring Ten Oaks

Connectivity

	—
	Central Business District 12mi
	Domain Shopping Center 5mi
	Walnut Creek Park <1mi
	Austin Apple Campus 6mi
	HEB & Walmart Supercenter <1mi
	North Austin Medical Center 3mi
	UT Austin 11mi
	Austin-Bergstrom Airport 17mi



Ten Oaks Financial Projections

Year	1	2	3	4	5	6	7	8	9	10	11
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Rent Growth Rate	0.00%	1.00%	2.00%	5.00%	5.00%	4.50%	4.00%	3.00%	3.00%	3.00%	3.00%
Vacancy Rate	5.00%	5.00%	5.00%	4.75%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%

Population Growth
Years 3 - 5

Long-Term Growth
Years 7 - 10

Construction Cycle Wrapping Up
Years 0 - 3

Location Favorability
Years 5 - 7

IRR: 8.63%

NPV: \$4.14M

Hurdle: 7.00%

Ten Oaks Submarkets

Submarkets

Transportation/Maint	1mi- \$31,520	3mi- \$436,772	5mi- \$916,708
Entertainment & Hobbies	1mi- \$17,376	3mi- \$238,718	5mi- \$510,603
Healthcare	1mi- \$5,082	3mi- \$70,758	5mi- \$154,192
Education	1mi- \$7,985	3mi- \$106,009	5mi- \$229,870
Apparel	1mi- \$6,551	3mi- \$91,274	5mi- \$196,282

Insights

- Easy access to major highways like I-35, public transportation options are also available.
- Reputable schools, including Parmer Lane Elementary School, Westview Middle School, and John B. Connally High School, making it appealing to early families prioritizing education.

TEN OAKS	1-MILE	3-MILE	5-MILE
Median Age	35	35	36
Population Growth	7.90%	8.87%	8.87%

Austin Growth Stimulants

- **Technology**
 - **PayPal:** Investing \$17.3M in a new office at **Domain Tower 2**, set for completion by Oct. 31, 2025.
 - **Samsung:** Building Taylor, TX **semiconductor lab**, mass production in 2026, creating 2,000 high-tech jobs.
- **Other Sectors**
 - **Non-Cyclical:** Education, health services, and gov. drove 40% of **17,300 jobs added** since Aug. 2023.
 - **Professional Businesses:** Sector expanded by 6.5%, adding 17,400 jobs over the past year.
- **Talent Retention**
 - **UT Austin:** 62% of 7,200 annual STEM graduates retained locally
 - **Median Age:** 25% of population between 20-34 years old



Austin Long Term Appreciation

- **Citywide Initiatives**
 - **Project Connect:** \$7.1 billion light rail system set to open by 2030, enhancing transit connectivity, boosting property values, and driving urban growth.
 - **I-35 Capital Express Project:** \$4.5 billion highway expansion set to complete by 2029, adding managed lanes to reduce congestion and improve regional connectivity.
- **Limited New Supply**
 - **Hypersupply:** Number of units breaking ground remains 83% below 2023 levels.
 - **Construction Costs:** As Austin expands, rising land and construction costs make development unjustifiable.
- **Nearby Developments**
 - **Verde Square:** Karlin developing mixed-use project near Austin FC Stadium.
 - **Q2 Stadium Assemblage:** Four Class AA office buildings with dining, entertainment, and park spaces for dynamic mixed-use environment.



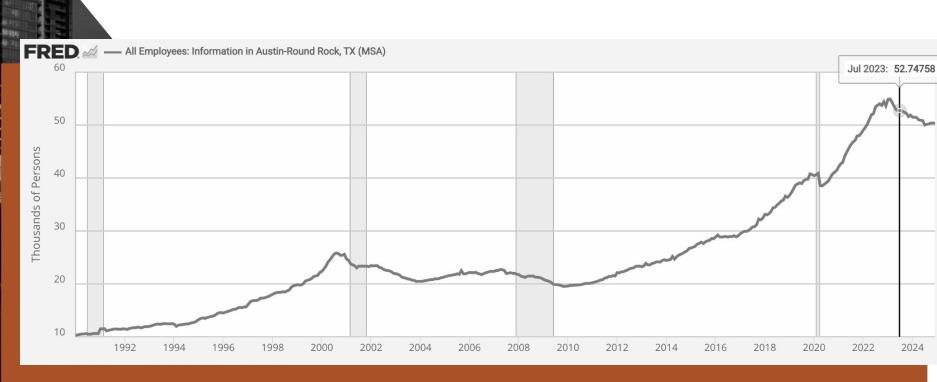
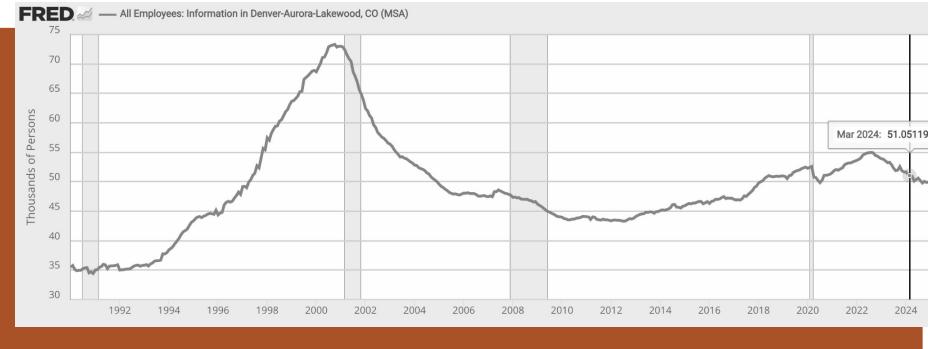
Employment

Austin, TX

- 3.5% Unemployment
- Growing Market

Denver, CO

- 4.5% Unemployment
- Mature Market



Investment Recommendation

TEN OAKS

1. Long Term Upside
2. Attractive Returns
3. Workforce & Economic Growth
4. Expansion Phase



Thank You

Addendum

Park Hill 4000 Valuation

Year	Trailing 12 mo	0	1	2	3	4	5	6	7	8	9	10	11
Rent Growth Rate		-1.00%	0.00%	2.00%	2.50%	3.00%	3.00%	3.00%	3.00%	2.00%	2.00%	2.50%	2.50%
Vacancy	10.00%	10.50%	10.50%	10.00%	9.00%	8.80%	8.50%	8.25%	8.00%	8.00%	8.00%	8.00%	8.00%
Rental Income	\$ 4,279,968		\$ 4,237,168	\$ 4,237,168	\$ 4,321,912	\$ 4,429,959	\$ 4,562,858	\$ 4,699,744	\$ 4,840,736	\$ 4,937,551	\$ 5,036,302	\$ 5,162,210	\$ 5,291,265
Vacancy	\$ (427,997)		\$ (444,903)	\$ (444,903)	\$ (432,191)	\$ (398,696)	\$ (401,532)	\$ (399,478)	\$ (399,361)	\$ (395,004)	\$ (402,904)	\$ (412,977)	\$ (423,301)
Total Income	\$ 3,851,971		\$ 3,792,266	\$ 3,792,266	\$ 3,889,721	\$ 4,031,263	\$ 4,161,327	\$ 4,300,266	\$ 4,441,376	\$ 4,542,547	\$ 4,633,398	\$ 4,749,233	\$ 4,867,964
Total Expenses	\$ 1,733,387		\$ 1,706,520	\$ 1,706,520	\$ 1,750,374	\$ 1,814,068	\$ 1,872,597	\$ 1,935,120	\$ 1,998,619	\$ 2,044,146	\$ 2,085,029	\$ 2,137,155	\$ 2,190,584
NOI	\$ 2,118,584		\$ 2,085,746	\$ 2,085,746	\$ 2,139,346	\$ 2,217,195	\$ 2,288,730	\$ 2,365,146	\$ 2,442,757	\$ 2,498,401	\$ 2,548,369	\$ 2,612,078	\$ 2,677,380
Purchase Price at going-in cap =	6.50%	\$ 32,593,602											
NOI		\$ 2,085,746	\$ 2,085,746	\$ 2,139,346	\$ 2,217,195	\$ 2,288,730	\$ 2,365,146	\$ 2,442,757	\$ 2,498,401	\$ 2,548,369	\$ 2,612,078		
Sales Price		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,572,605	
Cost of Sale		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (608,589)	
Net Income		\$ (32,593,602)	\$ 2,085,746	\$ 2,085,746	\$ 2,139,346	\$ 2,217,195	\$ 2,288,730	\$ 2,365,146	\$ 2,442,757	\$ 2,498,401	\$ 2,548,369	\$ 42,576,094	
Unlevered IRR		8.54%											
NPV at hurdle rate		\$3,828,114											

Park Hill 4000 Property Images



Park Hill 4000 Property Images



Ten Oaks Valuation

Year	Trailing_12_mo	0	1	2	3	4	5	6	7	8	9	10	11
Rent Growth Rate			0.00%	1.00%	2.00%	5.00%	5.00%	4.50%	4.00%	3.00%	3.00%	3.00%	3.00%
Vacancy	5.00%		5.00%	5.00%	5.00%	4.75%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%
Rental Income	\$ 3,080,448		\$ 3,080,448	\$ 3,111,252	\$ 3,173,478	\$ 3,332,151	\$ 3,498,759	\$ 3,656,203	\$ 3,802,451	\$ 3,916,525	\$ 4,034,021	\$ 4,155,041	\$ 4,279,692
Vacancy	\$ (154,022)		\$ (154,022)	\$ (155,563)	\$ (158,674)	\$ (158,277)	\$ (157,444)	\$ (164,529)	\$ (171,110)	\$ (176,244)	\$ (181,531)	\$ (186,977)	\$ (192,586)
Total Income	\$ 2,926,426		\$ 2,926,426	\$ 2,955,690	\$ 3,014,804	\$ 3,173,874	\$ 3,341,315	\$ 3,491,674	\$ 3,631,341	\$ 3,740,281	\$ 3,852,490	\$ 3,968,064	\$ 4,087,106
Total Expenses	\$ 1,170,570		\$ 1,170,570	\$ 1,182,276	\$ 1,205,921	\$ 1,269,550	\$ 1,336,526	\$ 1,396,670	\$ 1,452,536	\$ 1,496,112	\$ 1,540,996	\$ 1,587,226	\$ 1,634,842
NOI	\$ 1,755,855		\$ 1,755,855	\$ 1,773,414	\$ 1,808,882	\$ 1,904,325	\$ 2,004,789	\$ 2,095,004	\$ 2,178,805	\$ 2,244,169	\$ 2,311,494	\$ 2,380,839	\$ 2,452,264
Purchase Price at going-in cap =	5.50%		\$ (31,924,643)										
NOI			\$ 1,755,855	\$ 1,773,414	\$ 1,808,882	\$ 1,904,325	\$ 2,004,789	\$ 2,095,004	\$ 2,178,805	\$ 2,244,169	\$ 2,311,494	\$ 2,380,839	
Sales Price			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,917,814
Cost of Sale			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (658,767)
Net Income			\$ (31,924,643)	\$ 1,755,855	\$ 1,773,414	\$ 1,808,882	\$ 1,904,325	\$ 2,004,789	\$ 2,095,004	\$ 2,178,805	\$ 2,244,169	\$ 2,311,494	\$ 45,639,886
Unlevered IRR													
NPV at hurdle rate													

Ten Oaks Property Images



Ten Oaks Property Images

