



CASE STUDY

The Clare Apartments

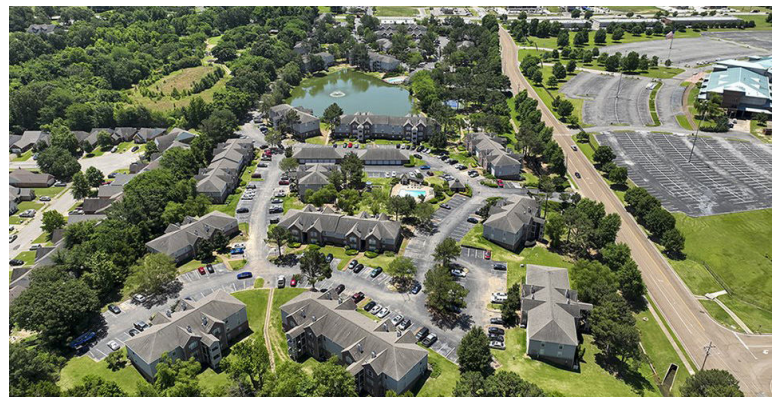


The Clare Apartments

The Clare (formerly Legacy at Church Lake) is a 352-unit class “A” multifamily community located in Southaven, Mississippi. The property was purchased in May of 2019 from a long-term ownership group that did not properly capitalize the property and consequently suffered from extensive deferred maintenance.

ValCap’s intention was to cure the deferred maintenance, rebrand the property, renovate 50% of the units and increase rents \$200/unit. Rents increased well beyond \$200/unit over previous rents without having to spend half as much in capital improvements as ValCap had initially underwritten.

The property was sold in August of 2021 with the partnership realizing a net profit of \$7,314,177 on an equity investment of \$6,300,000. This equates to a 42.23% IRR and 2.16X equity multiple over the 26 month hold period. ValCap exceeded proforma expectations by 9% in a 24 month shorter timeframe than initially anticipated.



Acquisition

Purchase Date:	May 2019
Purchase Price:	\$34,320,000
Equity:	\$6,300,000

Disposition

Sale Date:	August 2021
Sale Price:	\$45,125,000

Investment Returns

Net Profits:	\$7,314,177
Hold Period:	26 Months
IRR:	42.23%
Equity Multiple:	2.16x