



**Spring Forrest
192 Units**

Mebane, NC
(By Raleigh-Durham and Chapel Hill, NC)

Version 1.23 June 27, 2024

PENN
CAPITAL

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About Penn Capital

Veteran and Minority Owned, Vertically Integrated Real Estate Company

\$220+MM

MULTIFAMILY INVESTMENTS

1250+

UNITS OWNED AND
OPERATED

2.75 Yrs

AVERAGE HOLD PERIOD

9 Syndications

\$50mm Fund

PC Fund II for Accredited Investors



EDWARD ROGAN,
Managing Partner

Ed is responsible for sourcing new acquisitions and generating deal flow, underwriting deal feasibility, analyzing market trends, and engaging resources in the capital markets. He also oversees business development, advancing Penn Capital's growth agenda and portfolio value, and keeping the company anchored to its "big picture" vision.

Before founding Penn Capital, Ed was a successful sales and marketing director for a publicly traded company in the oil and gas industry. His sales experience helps Penn build loyal relationships with debt lenders, enabling it to secure attractive loan terms.

He also served in the U.S. Army with the 82nd Airborne Division and spent one year in Afghanistan, where he led his team in multiple combat missions.



PERCY NIKORA,
Managing Partner

Percy is responsible for investor relations and capital raising. Before starting Penn Capital, he was an avid investor in private equity deals, as well as commercial and residential real estate, giving him valuable insights into the needs of our investors.

He was partner at Robin Hood Ventures, Philadelphia's premier angel investor group. He has a keen understanding of what it takes to perform due diligence while effectively raising capital for new projects, with a wide network in the investor community.

He has held executive-level leadership roles in the finance and financial services industries, including at Merrill Lynch and Dow Jones. He has also been a successful entrepreneur, having founded and exited several successful tech companies. He has a bachelors degree in Computer Science and Computer Systems Engineering from Western Michigan University.



JAMES WEIGAND,
Chief Financial Officer

James serves as CFO for Penn Capital and its related entities. He was previously a senior finance, tax and compliance professional at Fortune 500 companies such as Ernst & Young and GE Power & Water, where he managed budgets in excess of \$200 million.

James has his Master's in Business Administration from the West Chester University of Pennsylvania and his Bachelors of Sciences from Temple University, where he double majored in Finance and Real Estate.

He is a member of the Institute of Real Estate Management and holds his Pennsylvania Real Estate Sales Persons License. He is also a member of the Union League of Philadelphia where he serves on the Abraham Lincoln Society Foundation.



DELLA ROBERTSON,
Director of Property Management

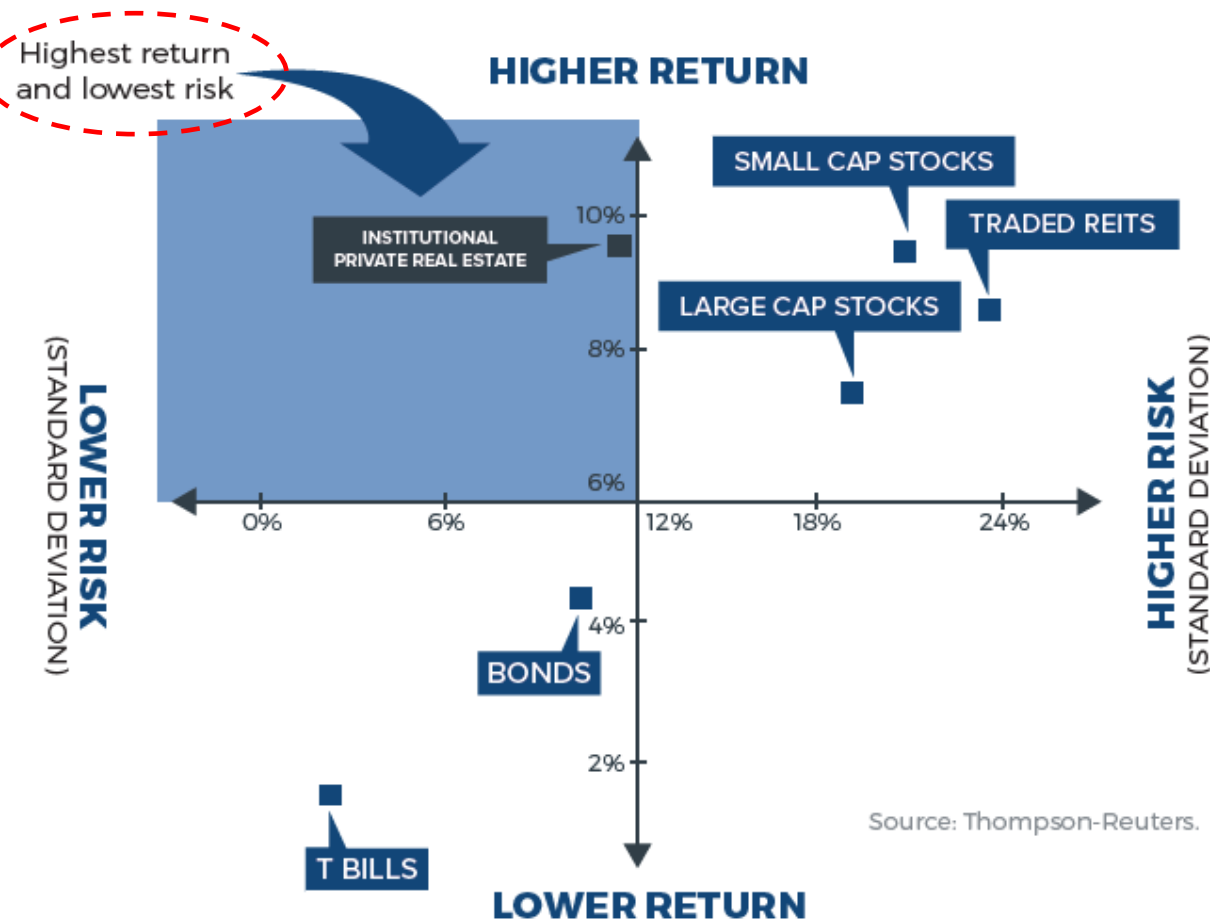
Della heads the in-house Property Management function for Penn Capital's portfolio. She was formerly Operations Manager at Park Place Enterprises for 30+ years, directing the 5000+ unit apartment portfolio in PA, NJ, DE, OH and FL.

Della's unique understanding of the needs of owners, employees, and residents has been invaluable in the successful management of Penn Capital's projects. She creates alignment of interests across all levels of the organization, boasting an outstanding ability to optimize property management processes, improve resident services, and grow revenues.

These qualities have consistently helped build team cohesion and driven record profits in Penn Capital's investment properties.

Market Appeal of Multifamily Real Estate

Compelling Risk Return Profile



National Demographic Drivers

3.8mm

Housing Unit
Deficit

44%

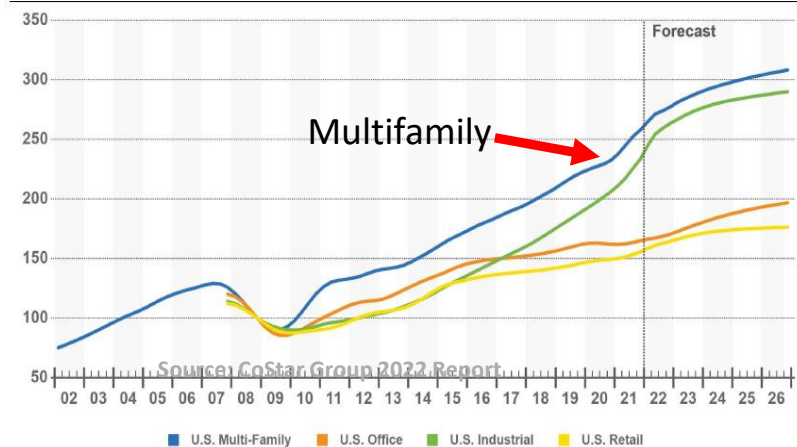
House Price
Increase Since 2019

101%

Increase in Mortgage
Payment Since 2019

Source: Freddie Mac, as of May 2021; Zillow Home Value Index and Federal Reserve Economic Data, as of September 2022

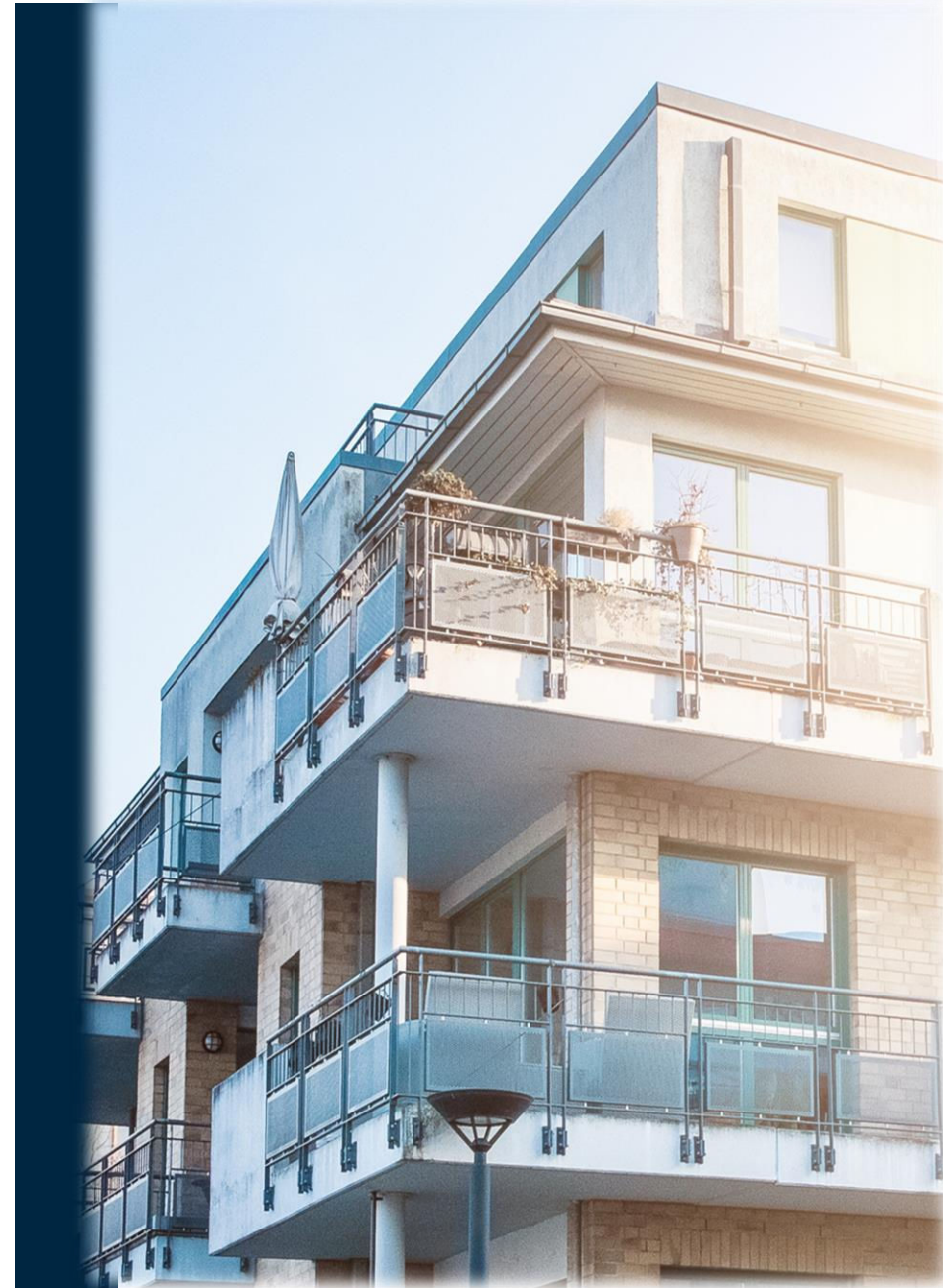
NATIONAL PRICE INDICES



Source: CoStar Group 2022 Report

Financial Appeal of Multifamily

- **Low Volatility**
 - Physical asset class with limited supply
 - Projected higher rental demand, pushing up rental income
- Provides **steady cashflow** during the hold period
- Every dollar added to the **Net Operating Income (NOI)** leads to an increase of **20x in the value based on a 5% cap rate**
- **Potential tax benefits** (cost segregation, bonus depreciation, 1031 exchange)
- **Prudent approach to debt leverage** to properly balance risk & return
- Opportunity to **increase rents** every 12 months
- Significant opportunity to create **superior long term investment return**



INVESTMENT STRATEGY

Strict focus on three investment strategies:

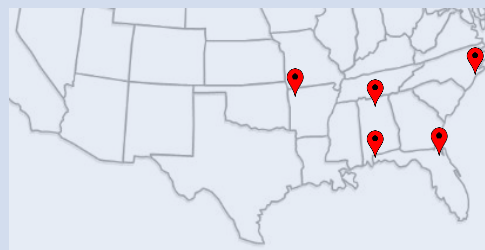
1. Value Add / Opportunistic - The opportunistic acquisition of undervalued assets and leveraging our operating subsidiaries to improve control, thereby minimizing risk and driving returns

2. Re/Development – New or major development projects supplying housing in high growth underserved markets to meet the demand

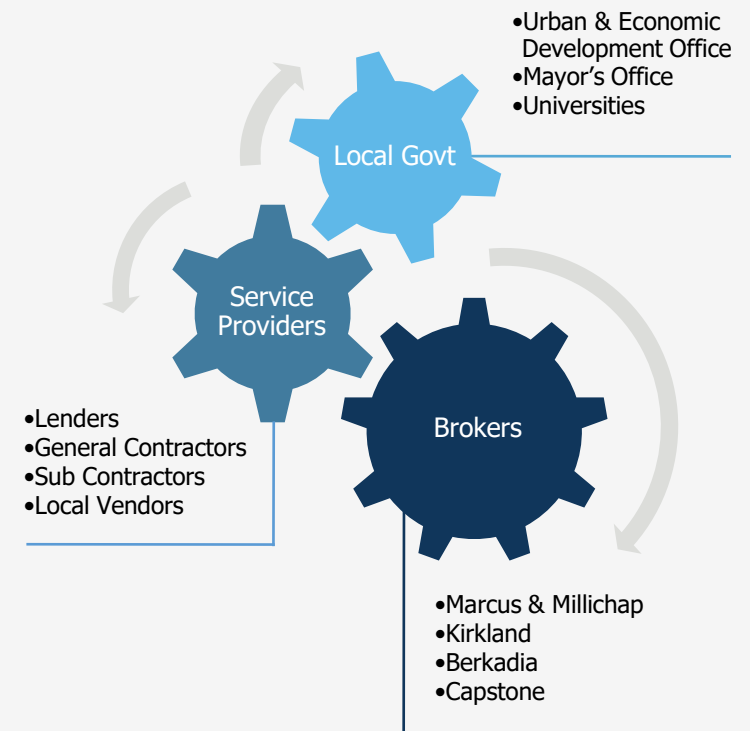
3. Adaptive Reuse – Repositioning of assets such as extended-stay style hotels into multifamily or corporate housing.

Target Acquisition Criteria

- Properties located in underserved high-growth markets of the Southeast US (e.g. Huntsville, Savannah, Wilmington, Pensacola, etc)
- Class A & B communities with strong value-add opportunity
- Suboptimized current operations
- 150 to 350 units per asset
- 1990s to new build
- 65 – 75% LTV debt



Deep Relationships Within Local Markets



VERTICALLY INTEGRATED APPROACH



The Opportunity

Property Summary

SITE INFORMATION

PROPERTY ADDRESS

101 Willow Brook Court | Mebane, NC 27302
Alamance County

CONSTRUCTION & UTILITIES

EXTERIOR	BRICK / SIDING
ROOF	PITCHED / SHINGLES
PARKING SURFACE	ASPHALT & CONCRETE
ELECTRICITY	DUKE ENERGY
WATER & SEWER	CITY OF MEBANE

UNIT BREAKDOWN

	UNITS	UNIT SQ. FT.	TOTAL SQ. FT.
1BD/1BA	48	850	40,800
2BD/2BA	48	1,085	52,080
2BD/2BA	48	1,188	57,024
3BD/2BA	48	1,443	69,264
Total/Averages	192	1,142	219,168

OTHER HIGHLIGHTS


192
Number of Units


\$1,510
Avg. Asking Rent


1,142
Avg. square feet
per unit


94.27%
Total Occupancy


2002
Year Built

* Please see PPM for final offering details.

Executive Summary

Investment Summary

The Sponsors are soliciting approximately \$6,500,000 in equity to purchase interest in the Company, PCNC I LLC (“Project Entity”) that will Joint Venture on the purchase of the property.

- Joint Venture/Pref Equity partner for total equity of approx \$12.5mm on the purchase of the 192 units apartment complex
- The Company plans to secure approximately 65-70% LTV via a fixed rate mortgage for 5 to 7 years, around 5.8 – 6.1% APR
- Expected duration of the investment is 3 to 5 years
- The Company plans to perform cost-segregation and bonus depreciation on the property and pass that through on the K-1s.

Spring Forrest – 192 Units

Sample Project in the Fund
98 units in the Fund
Plus Zoned for 120 Additional Units



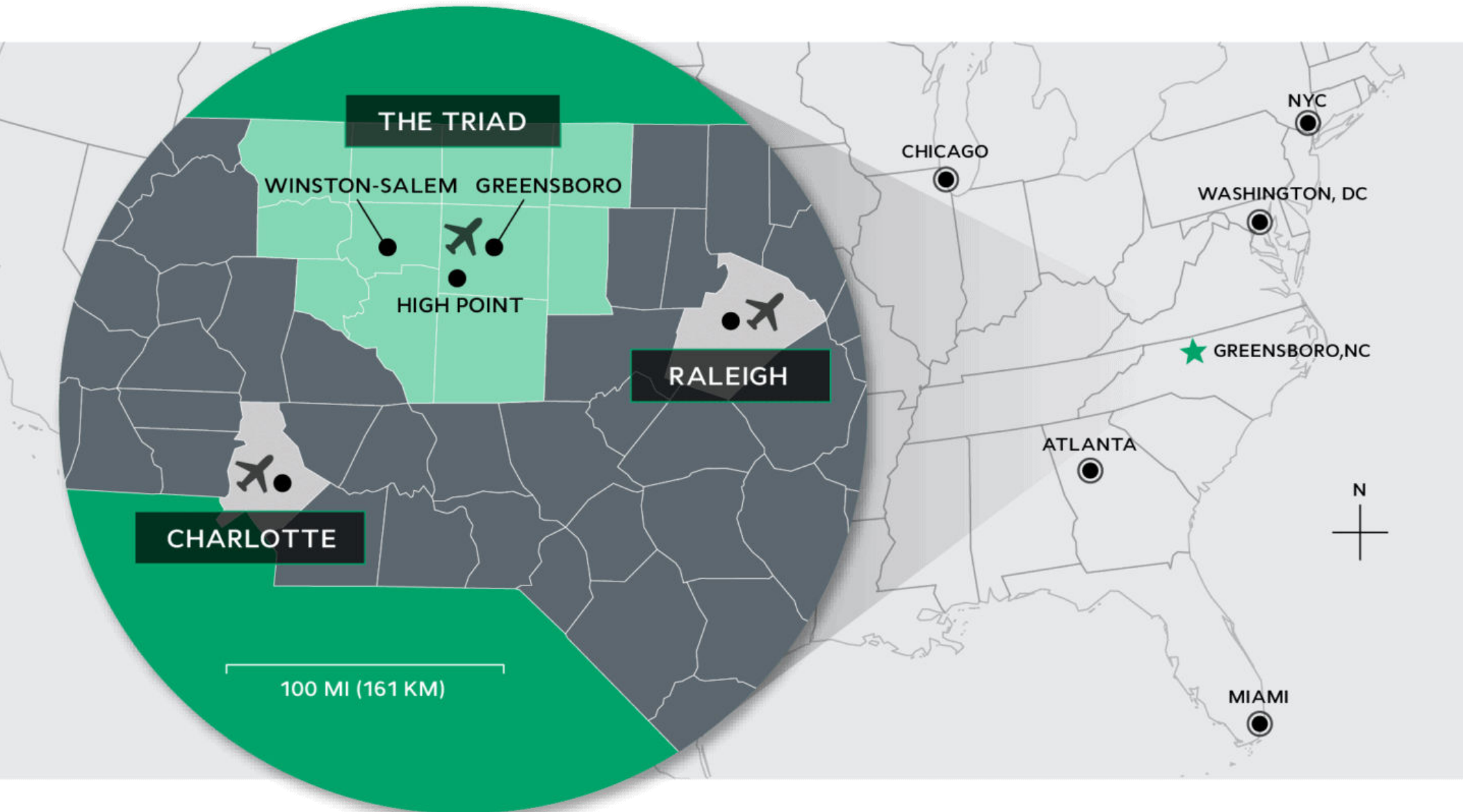
Spring Forrest Pictures

Sample Project in the Fund
80 units in the Fund
Plus Zoned for 120 Additional Units

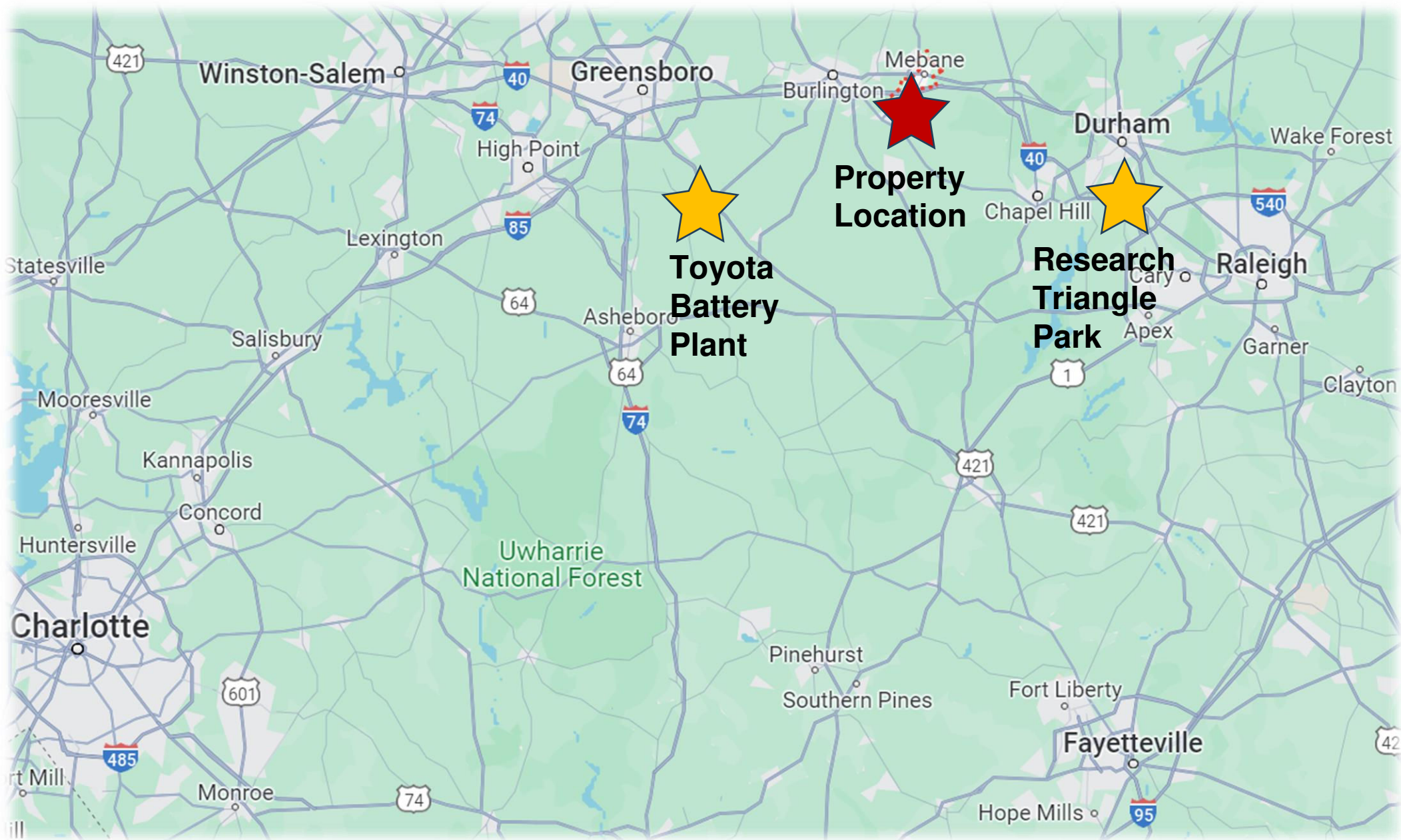


Market Overview

Strategic Location – North Carolina, Top Business State



Strategic Location – Between Raleigh-Durham and Greensboro, NC



Raleigh-Durham Market Overview By The Numbers

TOP STATE FOR BUSINESS
-CNBC, 2022 & 2023

2.5% LOWEST CORPORATE TAX IN THE UNITED STATES

#1 BEST BUSINESS CLIMATE

- BUSINESS FACILITIES MAGAZINE, 2022



In July 2023, CNBC named North Carolina America's Top State for Business for the second year in a row.



174,000
STUDENTS ANNUALLY

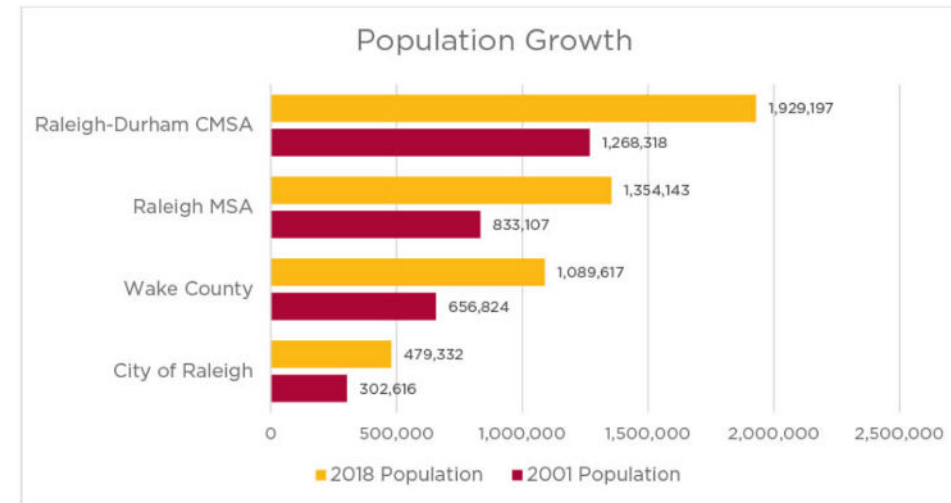


44,000
GRADUATES EACH YEAR

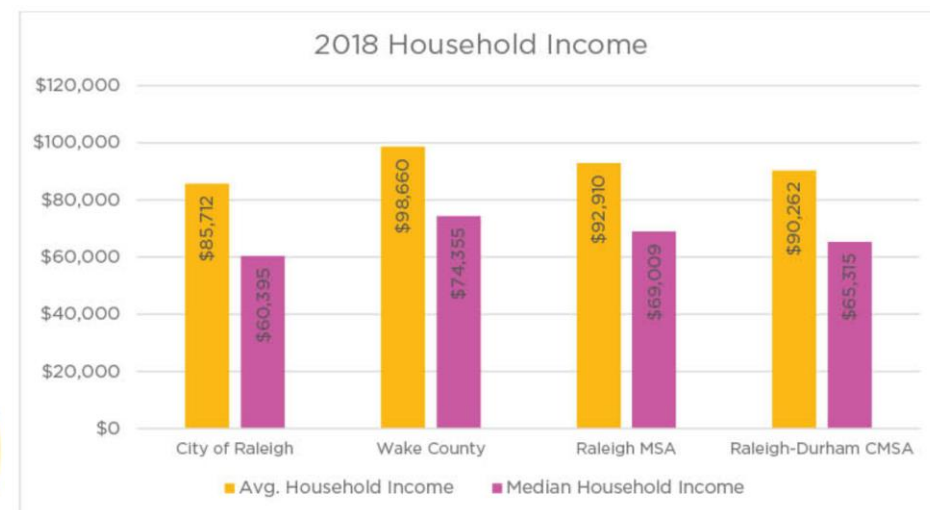


24 minutes
AVERAGE COMMUTE TIME

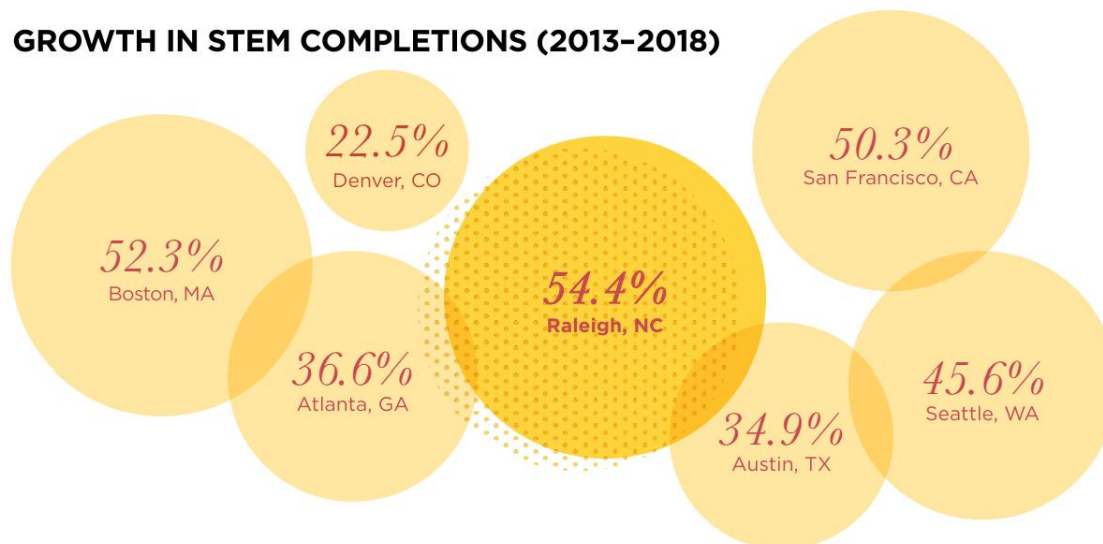
Population Growth 2001-2018:



Median/Average Household Income:



GROWTH IN STEM COMPLETIONS (2013-2018)



Source: Wake County Economic Development

Greensboro Market Overview By The Numbers







Companies located here

Toyota Announces New \$8 Billion Investment at Greensboro-Randolph Megasite



TOYOTA | NC



	GREENSBORO, NC	KANSAS CITY, MO	NASHVILLE, TN	DURHAM, NC
 Population	297,878 +8.2% since 2020	497,159 +4.9% since 2020	671,295 +11.3% since 2020	285,897 +16.8% since 2020
 Median Age	35	35	34.1	33.6
 Median Income	\$41,518	\$45,376	\$46,758	\$49,585
 Median Home Price	\$193,600	\$195,300	\$341,700	\$310,600
 Comfort Index	7.6/10	7.2/10	7.3/10	7.5/10
 Cost of Living	16.1% lower than the U.S. average	13.8% lower than the U.S. average	1.4% higher than the U.S. average	4.8% lower than the U.S. average

Source: Greensboro Chamber of Commerce

Market Overview Major Employers

				
Duke University & Duke Health Systems 43,108 employees	Walmart 16,200 employees	University of NC at Chapel Hill 12,104 employees	Wakemed Health & Hospitals 10,307 employees	Guilford County Schools 9,534 employees
				
North Carolina State University 9,019 employees	Food Lion 8,600 employees	Target 8,000 employees	Cone Health 12,849 employees	IBM 9,000 employees
				
Cisco Systems 5,000 employees	IQVIA 4,570 employees	Pfizer 3,700 employees	Fidelity 5,968 employees	Northside Hospital Forsyth 3,100 employees
				
High Point Regional Hospital 2,245 employees	American Express 2,000 employees	Bank of America 2,000 employees	Tyson Foods 1,100 employees	Scientific Games International 1,000 employees
				
Wake Forest University 2,921 employees	UNC Rex Healthcare 7,700 employees	USPS 2,800 employees	UNC Greensboro 3,200 employees	Koch Foods 1,000 employees

TOP FIVE

JOB MARKET-2023

(Wall Street Journal)

#3

Best Place to live in the US-2023

(US News)

#1

Place for Veterans-2022

(Wallet Hb)

#2

Place for Remote Work-2022

(Triangle Business Journal)

#1

Best City for Working Women-2022

(Apartment List)



- \$13.9 Billion Investment
- 2025 Production Start
- 5,100 Employees Planned

Source: [Toyota.com](https://www.toyota.com)

Financial Analysis

Spring Forest - PROJECTED SOURCES & USES, DEBT

Sources & Uses	Total
Sources	
Equity	\$12,579,313
Investor Equity	\$12,579,313
Debt	\$23,436,680
Senior Debt	\$23,436,680
Total	\$36,015,993
Purchase Price	\$34,200,000
Closing Costs	\$182,500
Acquisition Fee	\$342,000
Construction	\$945,000
Financing Costs	\$346,493
Total	\$36,015,993

Target Debt Terms

5 or 7 Yr Fixed	Approx 6 – 6.25%
Interest Only	3 to 4 yrs
Term	5 to 7 yrs

Sources & Uses

5 YR PROJECTIONS – Spring Forrest

	Year 0 Jul 2024	Year 1 Jul 2025	Year 2 Jul 2026	Year 3 Jul 2027	Year 4 Jul 2028	Year 5 Jul 2029	Year 6 Jul 2030
RENTAL INCOME	<i>In-Place</i>						
Base Market Rent	\$3,163,677	3,248,648	3,378,594	3,513,737	3,619,149	3,727,724	3,839,556
Premiums Achieved		25,739	127,893	185,594	191,162	196,897	202,804
Loss to Lease	(\$12,638)	(27,047)	(44,909)	(54,678)	(38,103)	(39,246)	(40,424)
Gross Potential Rent	3,151,039	3,247,339	3,461,578	3,644,653	3,772,208	3,885,375	4,001,936
Physical Vacancy	(\$257,467)	(196,463)	(210,389)	(221,960)	(228,619)	(235,477)	(242,542)
Bad Debt	(\$18,640)	(32,473)	(34,616)	(36,447)	(37,722)	(38,854)	(40,019)
Concessions	(\$14,747)	(16,237)	(25,962)	(27,335)	(28,292)	(29,140)	(30,015)
Net Rental Income	2,860,185	3,002,166	3,190,611	3,358,912	3,477,576	3,581,903	3,689,360
OTHER INCOME							
Other Income	\$284,912	293,459	302,263	308,308	314,474	320,764	327,179
RUBS	\$85,661	91,609	94,357	107,462	121,164	124,193	127,919
Total Other Income	370,573	385,068	396,620	415,770	435,638	444,956	455,097
Effective Gross Income	3,230,758	3,387,234	3,587,231	3,774,682	3,913,214	4,026,860	4,144,458
EXPENSES	<i>T12</i>						
Payroll	(\$297,340)	(269,256)	(277,334)	(284,267)	(291,374)	(298,658)	(307,618)
Management Fees	(95,330)	(101,617)	(107,617)	(113,240)	(117,396)	(120,806)	(124,334)
Contract Services	(37,599)	(39,552)	(40,739)	(41,757)	(42,801)	(43,871)	(45,187)
Administrative	(83,583)	(73,171)	(75,366)	(77,250)	(79,182)	(81,161)	(83,596)
Marketing	(25,160)	(39,552)	(40,739)	(41,757)	(42,801)	(43,871)	(45,187)
Utilities	(197,646)	(203,575)	(209,682)	(214,924)	(220,298)	(225,805)	(232,579)
Maintenance & Repair	(53,529)	(79,104)	(81,477)	(83,514)	(85,602)	(87,742)	(90,374)
Insurance	(171,430)	(108,768)	(112,031)	(114,832)	(117,703)	(120,645)	(124,265)
Property Taxes	(208,912)	(209,000)	(217,000)	(262,500)	(300,000)	(304,500)	(313,635)
Total Expenses	(\$1,170,529)	(1,123,595)	(1,161,985)	(1,234,042)	(1,297,156)	(1,327,059)	(1,366,775)
Expense Ratio	36.2%	33.2%	32.4%	32.7%	33.1%	33.0%	33.0%
Net Operating Income	2,060,229	2,263,639	2,425,247	2,540,640	2,616,058	2,699,800	2,777,683

Rent Comparables

Rent Comparables Summary

100 Willow Brook Ct - Spring Forest at Deerfield

Property Name/Address	Rating	Yr Built	Property Size		Asking Rent Per Month Per Unit				Rent/SF
			Units	Avg Unit SF	Studio	1 Bed	2 Bed	3 Bed	
1 Willow Creek 1515 S Mebane St	★★★★★	1988	144	733	-	\$985	\$1,189	-	\$1.49
2 Fieldstone Apartments 510 Quaker Creek Dr	★★★★★	1999	240	970	-	\$1,187	\$1,392	\$1,588	\$1.42
3 Meadows of Graham 926 E Gilbreath St	★★★★★	2023	68	969	-	\$1,250	\$1,299	\$1,600	\$1.42
4 The Lofts at White Furniture 180 N 5th St	★★★★★	2016	156	910	\$968	\$1,156	\$1,355	\$1,546	\$1.39
5 Alexander Pointe 102 Village Dr	★★★★★	2016	120	1,086	-	\$1,365	\$1,560	\$1,795	\$1.39
6 StoneBrook Apartments 1301 E Dogwood Dr	★★★★★	1997	192	1,045	-	\$1,249	\$1,373	\$1,711	\$1.38
7 Waterside Apartments 2120 Waterside Cir	★★★★★	2018	240	951	-	\$1,095	\$1,395	\$1,665	\$1.38
8 Keystone at Mebane Oaks 3001 Bermuda Bay Ln	★★★★★	2016	396	1,122	-	\$1,345	\$1,606	\$1,886	\$1.38
9 Watercourse Apartments 1020 Watercourse Cir	★★★★★	2015	204	956	-	\$1,095	\$1,395	\$1,635	\$1.37
10 Ashbury Square 202 Ashbury Sq	★★★★★	2006	192	955	\$1,112	\$1,242	\$1,368	-	\$1.37
11 119 South Apartments 3000 Bluebird Ln	★★★★★	2017	264	1,016	-	\$1,310	\$1,433	-	\$1.35
12 Carden Place 101 Carden Place Dr	★★★★★	2010	240	1,013	-	\$1,205	\$1,440	\$1,635	\$1.35
13 Arrowhead Apartments 1010 Flats Ave	★★★★★	2019	162	1,087	-	\$1,190	\$1,440	\$1,640	\$1.29
Spring Forest at Deerfield 100 Willow Brook Ct	★★★★★	2003	192	1,142	-	\$1,285	\$1,385	\$1,730	\$1.27
14 Elevate Haw River 2310 Vantage Point	★★★★★	2022	290	1,095	-	\$1,176	\$1,487	\$1,935	\$1.27
15 The Lofts at Haw River 116 E Main St	★★★★★	2020	175	1,024	\$1,040	\$1,259	\$1,206	\$1,810	\$1.23
16 Deerfield Crossing Apart... 600 Deerfield Trace	★★★★★	1997	144	909	-	\$861	\$1,025	\$1,198	\$1.11
17 Mebane Towne Center 5025 Pilatus Way	★★★★★	2022	300	-	-	-	-	-	-

UNIT BREAKDOWN

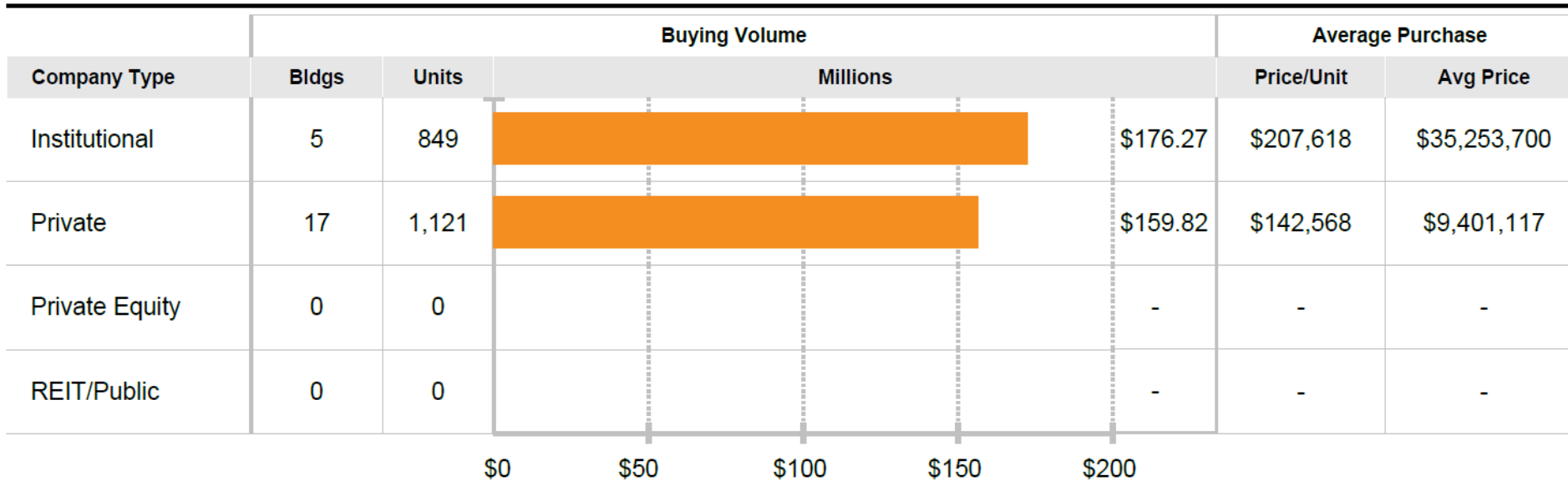
Bed	Bath	Avg SF	Unit Mix	
			Units	Mix %
1	1	850	48	25.0%
2	2	1,085	48	25.0%
2	2	1,188	48	25.0%
3	2	1,443	48	25.0%



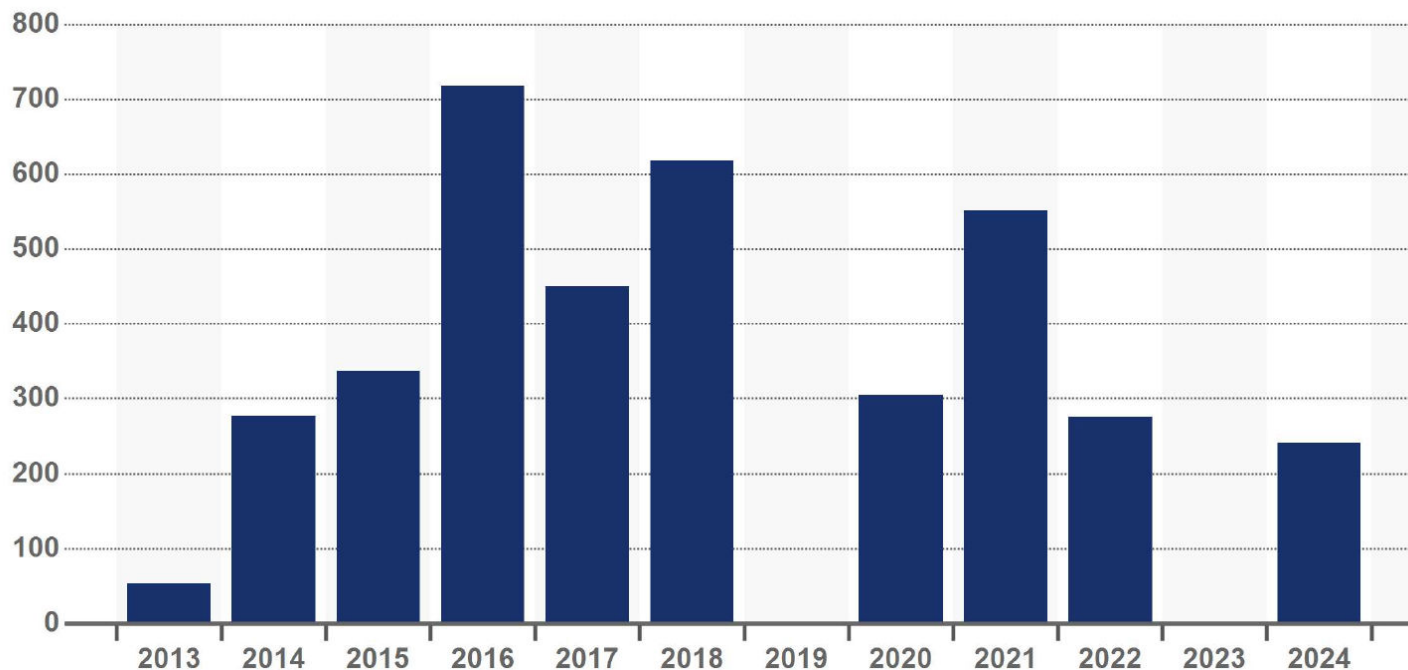
Room for rent growth

Spring Forrest - Sales Comparables

TYPES OF MULTIFAMILY BURLINGTON BUYERS PAST TWO YEARS



CONSTRUCTION STARTS IN UNITS



Source: Costar

Investor-Friendly Terms

The Target Numbers for Investors*

Based on a 5 Year Exit

10%

Preferred Return

75%/25%

Investor / Sponsor splits

2.1x

Investor Equity
Multiple

18%

Net LP IRR

22%

Avg Annual LP
Return

\$100K

Minimum
Investment



*Please refer to the PPM for final terms

Spring Forrest – \$100K 5 yr Cashflow Projection

Sample Project in the Fund
 20 units @ \$5,000 = \$100,000
 Plus Zoned for 120 Additional Units

	Year 0 Jul 2024	Year 1 Jul 2025	Year 2 Jul 2026	Year 3 Jul 2027	Year 4 Jul 2028	Sale Year 5 Jul 2029
INVESTOR RETURNS BASED ON AN INVESTMENT OF:		\$100,000				
Contributions	(100,000)	-	-	-	-	-
Distributions		5,542	6,864	7,696	8,273	179,382
Total Cash Flow	(100,000)	5,542	6,864	7,696	8,273	179,382
IRR	18%					
Average Annual Return	22%					
Net Profit	107,756	5.5%	6.8%	7.7%	8.3%	79.4%
Equity Multiple	2.1x					

Please refer to PPM for final numbers. Assumes Sale in Yr 5.

Spring Forrest – Target Closing Timeline

Due Diligence

April-May 2024

**Review & Sign
PPM Docs**

June 17th 2024

Wire Funds Deadline

July 12th 2024

**Target Close
Early – Mid July 2024**



Next Steps:

Contact
Percy Nikora – 484.293.1212
percy@penncapitalgroup.com



Thank You Q&A

PENN CAPITAL

For More Information
Please Contact:

Percy Nikora, Managing Partner
percy@penncapitalgroup.com
(484) 293-1212

<https://penncapitalgroup.com>

Appendix Slides

Meadows – 68 Units, Closing After Spring Forrest

Sample Project in the Fund



Rent Comparables

Rent Comparables Summary

926 E Gilbreath St - Meadows of Graham

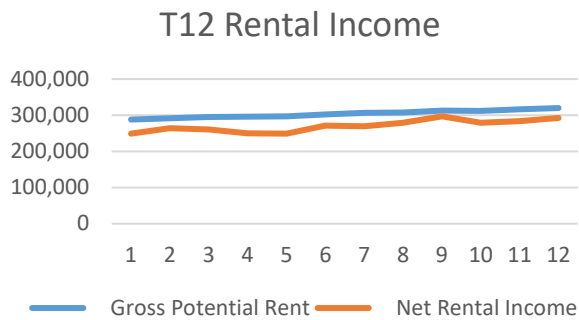
Property Name/Address	Rating	Yr Built	Property Size		Asking Rent Per Month Per Unit				Rent/SF
			Units	Avg Unit SF	Studio	1 Bed	2 Bed	3 Bed	
1 Peyton Place 3820 Bonnar Bridge Pky	★★★★★	2023	24	1,100	-	\$1,601	\$1,818	-	\$1.60
2 Watercourse Apartments 1020 Watercourse Cir	★★★★★	2015	204	956	-	\$1,114	\$1,434	\$1,664	\$1.40
3 Waterside Apartments 2120 Waterside Cir	★★★★★	2018	240	951	-	\$1,095	\$1,445	\$1,655	\$1.40
Meadows of Graham 926 E Gilbreath St	★★★★★	2023	68	969	-	\$1,050	\$1,300	\$1,500	\$1.34
4 Knollwood Townhouse Ap... 317 Atwood Dr	★★★★★	1971	84	980	-	-	\$1,275	-	\$1.30
5 Elevate Haw River 2310 Vantage Point	★★★★★	2022	290	1,095	-	\$1,174	\$1,389	\$1,975	\$1.23
6 The Lofts at Haw River 116 E Main St	★★★★★	2020	175	1,024	\$1,040	\$1,255	\$1,197	\$1,808	\$1.23
7 Elevate 54 230 Pine Knot Ln	★★★★★	2019	288	1,037	-	\$1,101	\$1,378	-	\$1.20

			Unit Mix	
Bed	Bath	Avg SF	Units	Mix %
1	1	748	15	22.1%
2	2	945	34	50.0%
3	2	1,187	19	27.9%



CASE STUDY 1

Class A Institutional Asset



Institutional
Equity Partner

Located in a suburb of Huntsville, The Grand Reserve at Madison is a 232 unit, garden-style multi-family complex built in 2004 and enjoys high occupancy.

Penn Capital acquired the asset off-market with a view to upgrading it with refurbishments to kitchens and bathrooms, painting the exterior and modernizing the amenities package.

Penn Capital invested in this asset with its Institutional Equity Partner Walker Dunlop, one of the largest commercial real estate finance companies in the US.

Through focused execution, Penn Capital was able to increase the rental income by over \$50,000/month in under 12 months.

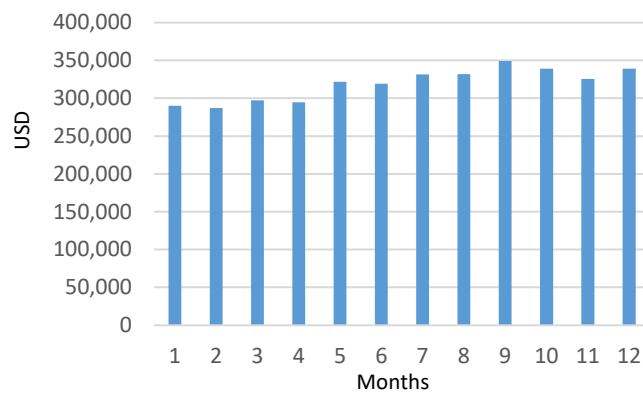


LOCATION	Madison, AL
DATE OF INVESTMENT	February 2021
SIZE	232 units / 2004 Build
PURCHASE PRICE	\$39,440,000 (off-market)
TARGET HOLDING PERIOD	2 years
CONTRACTED SALE PRICE	\$54,500,000

CASE STUDY 2

Class C Value-Add

Gross Potential Rent



Located across the University of Alabama at Huntsville, Madison Grove Townhomes was workforce housing built in the 1960s. It needed deferred maintenance addressed, along with extensive upgrades to the exterior and interior.

Penn Capital recognized the hidden value of this asset and conducted extensive renovations, including new roofs, windows, kitchens, floorings, new fixtures, granite countertops and exterior elevations, etc.

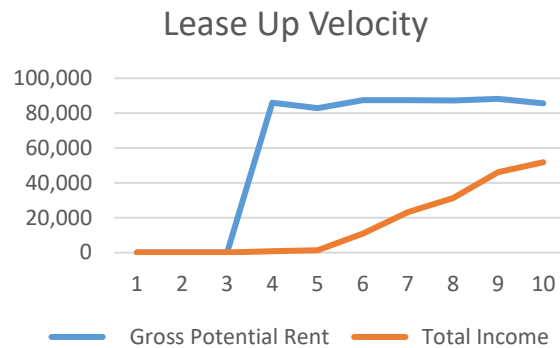
Through our superior vertically-integrated Property Management function, we doubled rents for the renovated units, while improving the tenancy and neighborhood. We received many accolades from Huntsville City officials and generated a great return for investors.



LOCATION	Huntsville, AL
DATE OF INVESTMENT	August 2019
SIZE	390 units / 1960s
PURCHASE PRICE	\$12,500,000
HOLDING PERIOD	2.5 years
SALE PRICE	\$30,030,000

CASE STUDY 3

Hotel-to-Corporate Housing Conversion



Located across the University of Alabama at Huntsville, The Windsor was previously an extended stay-style hotel that was vacant.

Penn Capital had the vision to unlock the value of this hidden off-market gem and used its local market knowledge and connections to convince the previous owner to sell the property.

Penn Capital conducted a full exterior and interior renovation and repositioned these as corporate housing, which was in high demand in the market.

Despite global supply chain challenges and labor shortages our in-house Construction Management arm completed this project, generating an exceptional return for investors.



LOCATION	Huntsville, AL
DATE OF INVESTMENT	December 2019
SIZE	88 units / 1980s
PURCHASE PRICE	\$1,000,000 (off-market)
HOLDING PERIOD	2.5 years
SALE PRICE	\$12,000,000

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'Super Block' Along University Drive Getting \$27 Million Facelift

February 7, 2020 / in Featured, Housing, Lead, News / by Kimberly Ballard

A welcomed and long-awaited facelift is coming to a stretch of one of Huntsville's primary thoroughfares.

A 45-acre block off University Drive at Independence Drive and Lancewood Drive will be revitalized in a \$27 million acquisition by Philadelphia-based Penn Capital, an integrated private investment company.



The former GuestHouse Suites are part of the \$27 million redevelopment project. (Image provided by Penn Capital)

The company has purchased the former GuestHouse Suites from the Huntsville Hospital Foundation as part of the acquisition. The project includes renovating and redeveloping three properties along University Drive across from the University of Alabama in Huntsville.

In addition to the former GuestHouse Suites at 4020 Independence Drive, Penn Capital is revitalizing the former North Ridge Apartments and the Continental Apartments adjacent to it. The project totals 458 apartments along University Drive and creates a 45-acre "super block" of 546 apartments. It is strategically aimed at revitalizing the surrounding community, which has suffered from blighted conditions over the past 10 years.

According to Penn Capital founder Ed Rogan, the properties fit the company's investment strategy to invest in Sun Belt markets from Texas to Florida where there is tremendous economic growth.

Penn Capital wanted to come into Huntsville, he said, because of the job growth around the new Toyota production plant, and the aerospace and military presence.

"We look for projects in good areas or even areas that have had some distress issues like these three properties," Rogan said. "A lot of people would have passed on this project because it isn't visually appealing, but we have a vision where our work revitalizes the community and surrounding neighborhood and improves the standard of living and quality of life for people."

Just two miles east of the MidCity Huntsville project, the former North Ridge Apartments complex has been renamed Madison Grove. It consists of 105



Penn Capital plans to invest \$5 million to redevelop the former GuestHouse Suites at 4020 Independence Drive.

Penn Capital's Recent Wins

Penn Capital is a vertically integrated real estate investment firm. It has acquired and operates properties worth ~\$140+mm, totaling 1,000+ units. Many of our projects have gone full cycle, ahead of projections.



Grand Reserve

- 232 units
- Madison, Alabama
- Class A, Institutional Asset
- \$40mm Acquisition
- \$54.5mm Purchase Offer
- Duration – 2yrs



Madison Grove Townhouses

- 390 units
- Huntsville, Alabama
- Value-add: Class C- to B-
- \$12.5mm Acquisition
- \$5.5mm Heavy Value-Add
- \$30.03mm Sale
- Duration – 2.5yrs

Exited



The Windsor

- 88 units
- Huntsville, Alabama
- Hotel to Corporate Housing
- \$1mm Acquisition
- \$4.5mm Extensive Rehabilitation
- \$12mm Sale
- Duration – 2.5yrs

Exited



Westwood Park Apartments

- 124 units
- Suburb of Houston, Texas
- Value-add: Class C to B
- Completed fire rehab in 8 months
- ~\$8.5mm Acquisition
- \$12.5mm Sale
- Duration 3.5yrs

Exited

* Past performance does not guarantee future results