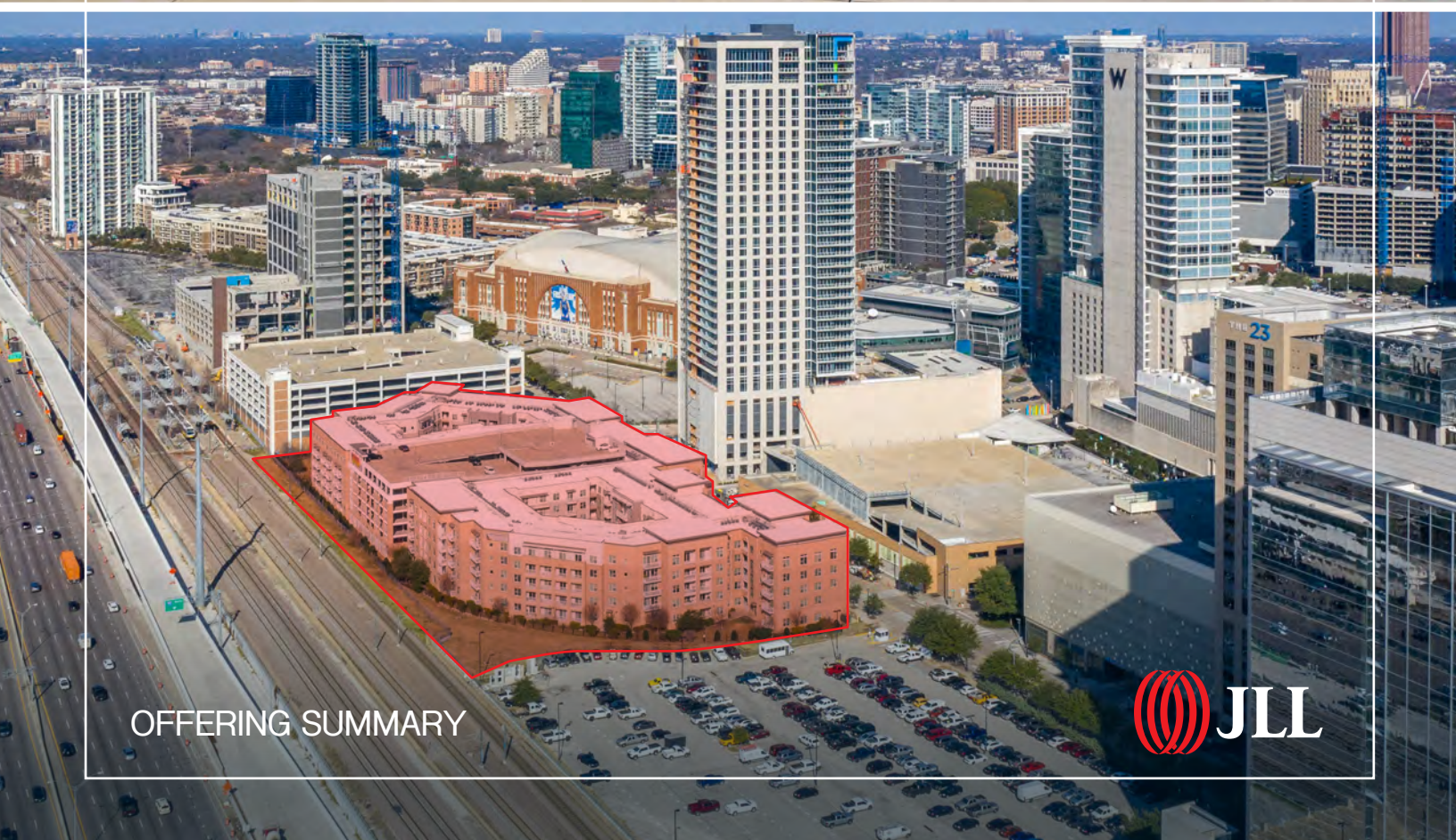


arpeggio

VICTORY PARK

Dallas • Texas



OFFERING SUMMARY



INVESTMENT OVERVIEW

Jones Lang LaSalle Americas, Inc. or its state-licensed affiliate has been exclusively retained to offer an opportunity for qualified investors to purchase the fee simple interest in Arpeggio Victory Park (the "Property") in Dallas, Texas. Completed in 2014, this unique asset offers 377 units located in the highly walkable Victory Park Entertainment district on the border between Uptown and Downtown Dallas. With the American Airlines Center (home to the Dallas Mavericks basketball team and Dallas Stars hockey team) adjacent to the Property, Arpeggio Victory Park is positioned in one of the premier walkable districts in Dallas, offering residents the ability to live, work, and play minutes from their doorstep.

INVESTMENT HIGHLIGHTS

Walkable Victory Park Location Adjacent to American Airlines Center

With a "Very Walkable" score of 83, Arpeggio Victory Park residents boast the ability to shop, dine, and entertain all within walking distance from the Property. Victory Park is home to the American Airlines Center, host of the Dallas Mavericks of the NBA and the Dallas Stars of the NHL, with a total seating capacity of 21,000. The arena also doubles as an event center hosting concerts and other major events such as the NCAA Basketball Tournament. Additional local restaurants and entertainment destinations in the area include:



Rare Victory Park Opportunity to Acquire Low Density Product Below Replacement Cost

Arpeggio Victory Park offers potential investors the opportunity to acquire rare, well located wrap product in Victory Park at a significant discount to replacement cost. The Property is insulated from new development as costs and market conditions would require construction of new high-rise product with rents well above what is currently offered at Arpeggio. This protection from new wrap development creates outsized rent growth potential for deals like Arpeggio that maintain a healthy discount below top-of-market high-rise rents. Future ownership is afforded the opportunity to help bridge this rental rate gap through embedded value-add upside in the form of 100% original interiors, unrenovated common areas, implementation of private yards, and rollout of the Fetch package delivery system.

Strong Demand Drivers and Employment Base

The Property is located within the Uptown office submarket, the best performing submarket in the Dallas/Fort Worth Metroplex. The submarket has over 16 million square feet of office space employing 65,000 jobs with +/- 4,500 jobs in Victory Park alone. Arpeggio Victory Park is less than a mile from Downtown Dallas which supports 135,000 jobs and is within three miles from other employment drivers such as the Design District, Dallas Medical Center, and Deep Ellum.

Strong Surrounding Demographic Base

Located in the heart of Dallas, Arpeggio Victory Park benefits from one of the most affluent demographic bases in the Dallas/Fort Worth Metroplex. Within the surrounding one mile, the demographics encompass an average household income of \$133,270 (50% above the city of Dallas average) and a median home value of \$573,394 (more than double the city of Dallas average). The area also supports a highly educated and growing population base with over 80% of residents having some college education and 125% population growth since 2010. The Property demographics are also strong offering an income-to-rent multiple above 4x, as well as a young and affluent renter demographic with a median age of 30 and an average household income of \$90,113.



<p>Strong demographics offering an income-to-rent multiple above</p>	<p>Young and affluent renter demographic</p>
<p>4X</p>	<p>median age of</p>
	<p>average household income</p>
	<p>30</p>
	<p>\$90,113</p>



Infill, Core Location with Strong Future Commercial Development

With an “Excellent” transit score of 76, Arpeggio Victory Park is well positioned on Dallas’ transportation grid. The Property is located just off two major highways, I-35E & Woodall Rogers Freeway, allowing for a quick commute to the majority of Dallas’ employment and entertainment centers. Additionally, Victory Park is poised to see further growth through the construction of two office projects – 2601 Victory and Victory Center – which once completed will add +/- 814,725 square feet of additional office space to the area. Using a 200 square feet per employee ratio, this will add approximately 4,075 daily workers to Victory Park, which in turn could generate demand for 1,385 apartment units (using a 3:1 worker to renter ratio).

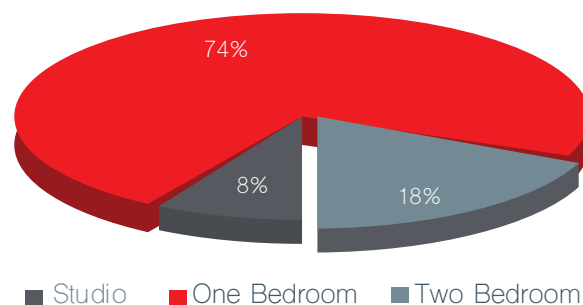
Despite this highly-accessible, core location, the Property is being offered at a discount to many recent suburban garden trades (on per unit basis) further allowing an investor to buy well-located core product at an extremely attractive basis.

FUTURE VICTORY PARK COMMERCIAL DEVELOPMENT



RENT ROLL SUMMARY

Units	%	Unit Description	SF	Rent	PSF	Rent	PSF
30	8%	Studio	505	\$1,343	\$2.66	\$1,130	\$2.24
279	74%	One Bedroom	765	\$1,452	\$1.90	\$1,357	\$1.78
68	18%	Two Bedroom	1,152	\$2,234	\$1.94	\$1,955	\$1.70
377	100%	Total	814	\$1,585	\$1.95	\$1,445	\$1.78



PROPERTY DESCRIPTION

Address:	2425 Victory Avenue Dallas, TX 75219
Year Built:	2014
Total Units:	377
Current Occupancy:	93.1%
Average Unit Size:	814 SF
Rentable Square Footage:	306,793 SF
Number Of Buildings:	1 Building
Number Of Stories	5 Stories
Land Area:	3.88 Acres
Density:	97 Units/Acre
Parking:	599 Parking Spaces (1.62 Spaces/Unit)

COMMUNITY AMENITIES

- ◆ Cyber Lounge
- ◆ Dog “Bark” Park (One of Largest in Victory Park/Downtown)
- ◆ Swimming Pool with Tanning Ledge
- ◆ Modern Clubhouse with Lounge Seating and TVs
- ◆ 24/7 On-site Dry Cleaning and Laundry Service
- ◆ Business Center
- ◆ Fitness Center
- ◆ Fetch Package Delivery System  Opportunity / Income Source
- ◆ Loading Dock

INTERIOR FINISHES

- ◆ 10'+ Ceilings
- ◆ Modern Track Lighting
- ◆ Walk-in Closets*
- ◆ Gourmet Kitchens with Granite Countertops
- ◆ Stainless Steel Appliances
- ◆ Vinyl Wood Floor, Ceramic Tile and Signature Carpet
- ◆ Stone and/or Brick Walls*
- ◆ Custom Wood Cabinets
- ◆ Oversized Mirrors and Double Vanities

*Available in some units

Existing Loan Information


Original Loan Amount	\$43,800,000
Outstanding Balance	\$43,800,000
Interest Rate	1-Month LIBOR + 1.69%
Issue Date	Sep-17
Maturity	Oct-27
Interest Only Period	Full Term
Lender	Freddie Mac

Investors have the option to purchase Arpeggio free and clear, or by assuming the existing financing

DFW ECONOMIC OVERVIEW

 **604,410** New Residents Projected (2020-2025)

 **361** New Residents Added Per Day

 **#2** Best Places for Business and Careers (Forbes - 2019)

INTOWN DALLAS APARTMENT MARKET OVERVIEW

 **#1** Most Desired Submarket in DFW





 **93.5%** Avg 5-year Occupancy

 Demand Projected to **Outpace** Supply (Source: MPF)



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VICTORY PARK

DEMOGRAPHICS (1 MILE)

 Average Household Income: \$133,270	 133,270 Population Growth Since 2010	 Average Home Price: \$814,868
 "VERY WALKABLE" walk score of		83

ADDITIONAL INFORMATION

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**The outbreak of the COVID-19 virus (novel coronavirus) since the end of January 2021 has resulted in market uncertainty and volatility. While the economic impact of a contagion disease generally arises from the uncertainty and loss of consumer confidence, its impact on real estate values is unknown at this stage. Given the prevailing domestic and global uncertainty arising from the Coronavirus, we recommend that the intended recipients of this information regularly seek our guidance.