



MULTIFAMILY OFFERING



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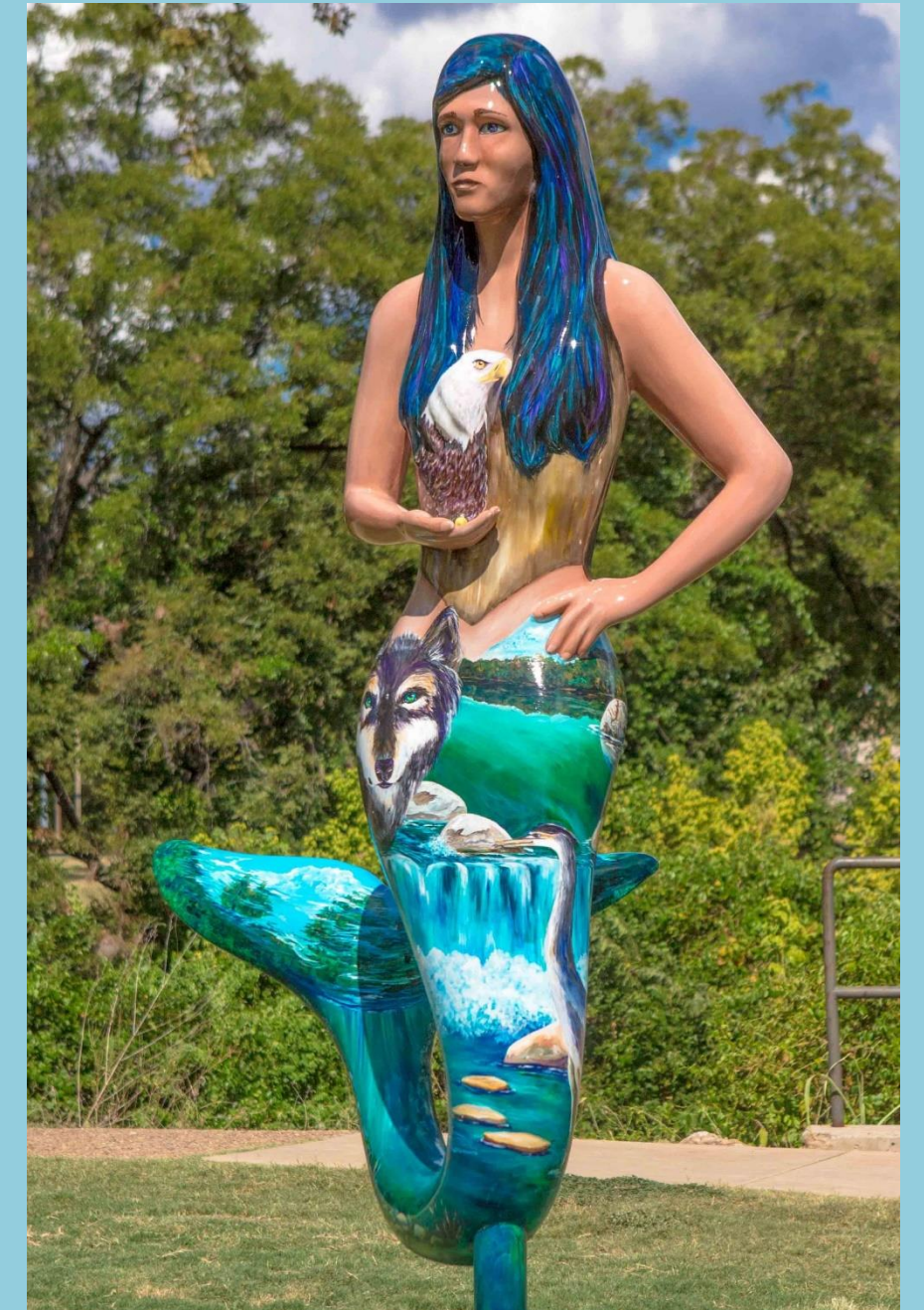
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Agenda

- Our Team
- Offering Summary
- Property Details
- Why San Marcos?
- Investment Highlights
- Financials
- Conclusion



The Mermaid March is a public art project that celebrates the art, culture and natural beauty of San Marcos

WHY TM1?

TM1's investment strategy sets it apart

Environment

Water Conservation
LED Lighting
Energy-efficient appliances and systems

Diversity

Woman founder
General Partners include women, minority and disabled veteran
Staff members are 80% diverse

Community

We donate to the local schools around TM1 property locations

Social

Our commitment is to offer the middle-class workers with a clean, safe, and affordable place to live

OUR TEAM

AVERAGE YEARS OF EXPERIENCE: 19 YEARS
CURRENT CUMULATIVE AUM: \$2.2 BILLION+

GENERAL PARTNERS



Amy Tiemann
*Managing General
Partner, CEO*
TMi
Properties



Ash Shah
CEO
Impex Capital Group



Kippen Schecht
Architect
GFF



Jason Hull
*Managing Director,
Real Estate Capital
Markets*
Regions Bank



Rajeev Thorat
*Investor, Prop Tech,
Business Strategist*
TMi
Properties



Lisa Russell
*VP of Asset
Management*
TMi
Properties

WOMEN, MINORITY, AND DISABLED VETERAN OWNED

OUR TEAM

TM1

MANAGEMENT TEAM



Amy Tiemann
CEO



Eddison Titus
Chief Legal Counsel



Emma Cuevas
*Director of
Investor Relations*



Lisa Russell
*VP of Asset
Management*



Jorge Matamoros
*Private Equity
Associate*



Aaron Standish
*Private Equity
Associate*



Evan Tiemann
Business Analyst



Taylor Delgado
Marketing Operations



Angel Muniz
Construction Manager



Jodie Severson
*Treasury and
Audit*



Isabella Polvado
*Social Media
Marketing*

HOUSING

Why workforce housing?

Housing is considered affordable when the occupants spend no more than 30% of income on rent and utilities

According to CoStar, only a third of market-rate apartments are affordable to renter households earning \$40,000 per year

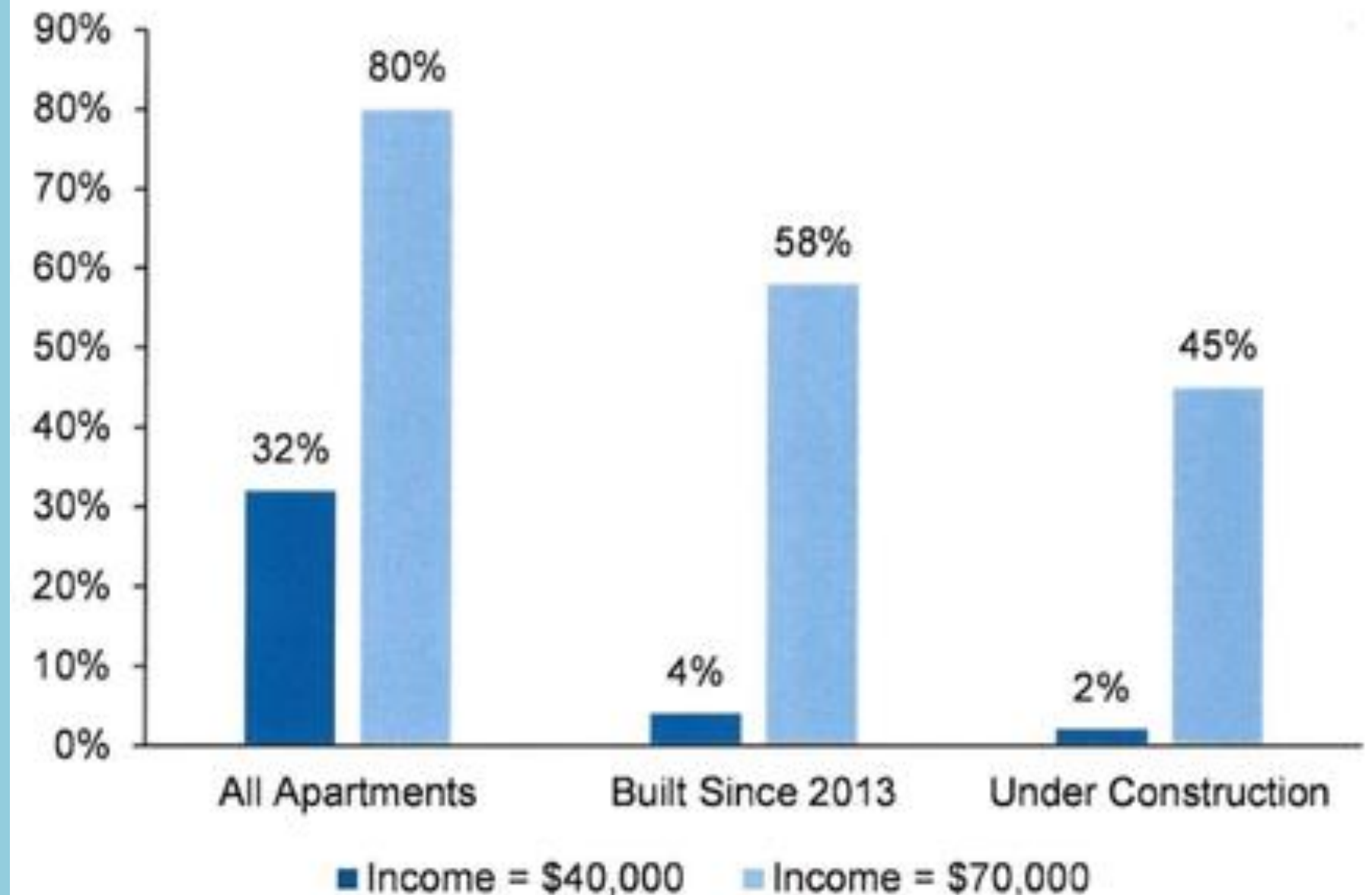
Only 4% of market-rate apartments built within the past five years are affordable to a renter household earning \$40,000 annually

Only 58% of new market-rate apartments are affordable at household incomes of \$70,000

Best Economics in Real Estate

Lowest Supply – Largest Renter Pool

Affordability by Income



OFFERING SUMMARY

ESSENTIALLY, WE ARE BUYING INTO A PARTNERSHIP

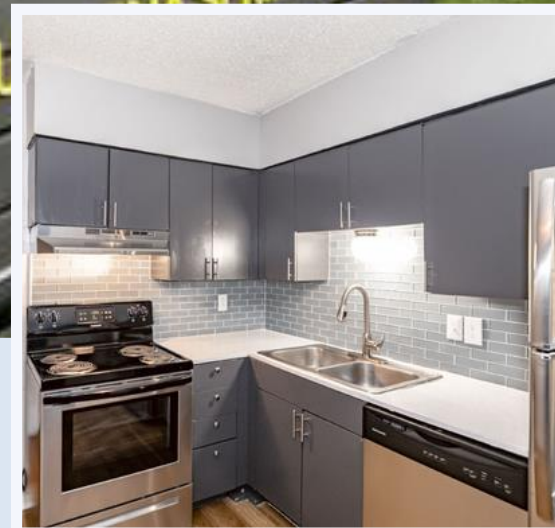
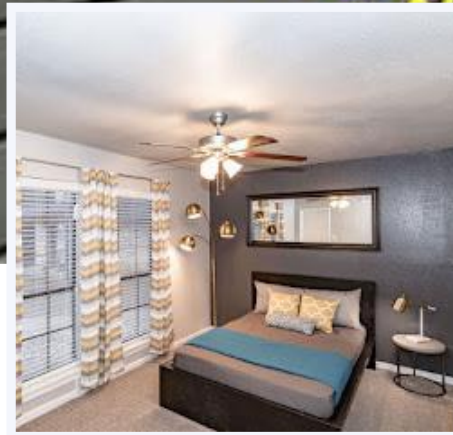
This property will be acquired at **PRE-COVID** pricing. We will take this non-performing asset and restructure the operations plan to revamp and renew the current business model.

PROPERTY SUMMARY

Name: Aqua 16
Address: 1640 E Aquarena Springs Dr
San Marcos, TX
Price/Dr: \$113k
GBA: 132,008 SF
of Units: 162
Year Built: 1974



PROPERTY DETAILS



- Number of Units: 162
- Year Built: 1974
- Unit Mix:
 - 1 Bed + 1 Bath
 - 1 Bed + 1.5 Bath
 - 2 Bed + 1 Bath
 - 2 Bed + 1.5 Bath
 - 3 Bed + 2 Bath
- Amenities:
 - 24-Hour Fitness Center
 - Central AC
 - Coffee/Tea Bar
 - Discounted Internet/Cable
 - On-Site Laundry Facilities
 - On-Site Maintenance
 - On-Site Management Team
 - Patio/Balcony
 - Pet Park
 - Picnic Area with BBQ Grills
 - Storage Unit
 - Two Swimming Pools

SAN MARCOS

Located 30 miles south of Austin

2.2 million residents and growth of 3% in 2022

San Marcos current population: 68,000

Market Statistics

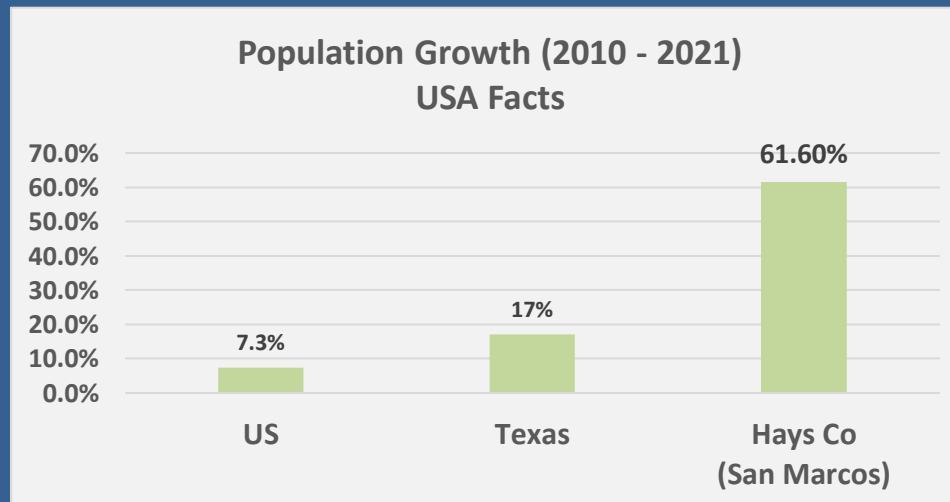
IDEAL WORKFORCE DEMOGRAPHIC

Average household income within:

- 2 Miles: \$43,457
- 5 Miles: \$61,250
- 10 Miles: \$75,576

BLS

FAST GROWING POPULATION



GOOD FUNDAMENTAL GROWTH

Rent growth for 2022 is **roughly 19.6%!**

Job growth for 2022 is **5.1%!**

Future Job growth next 10 years is **46.8%!**

AVG JOB GROWTH RATE IN US IS 33.5% EVERY 10 YEARS

Major Employers – Amazon Fulfillment, Texas State University (Texas' 4th largest university), Premium Outlets

Costar
BLS



STRATEGIC LOCATION ADVANTAGE

1640 E Aquarena Springs Dr,
San Marcos, TX 78666

Excellent value-add opportunity along the Austin-San Antonio Corridor

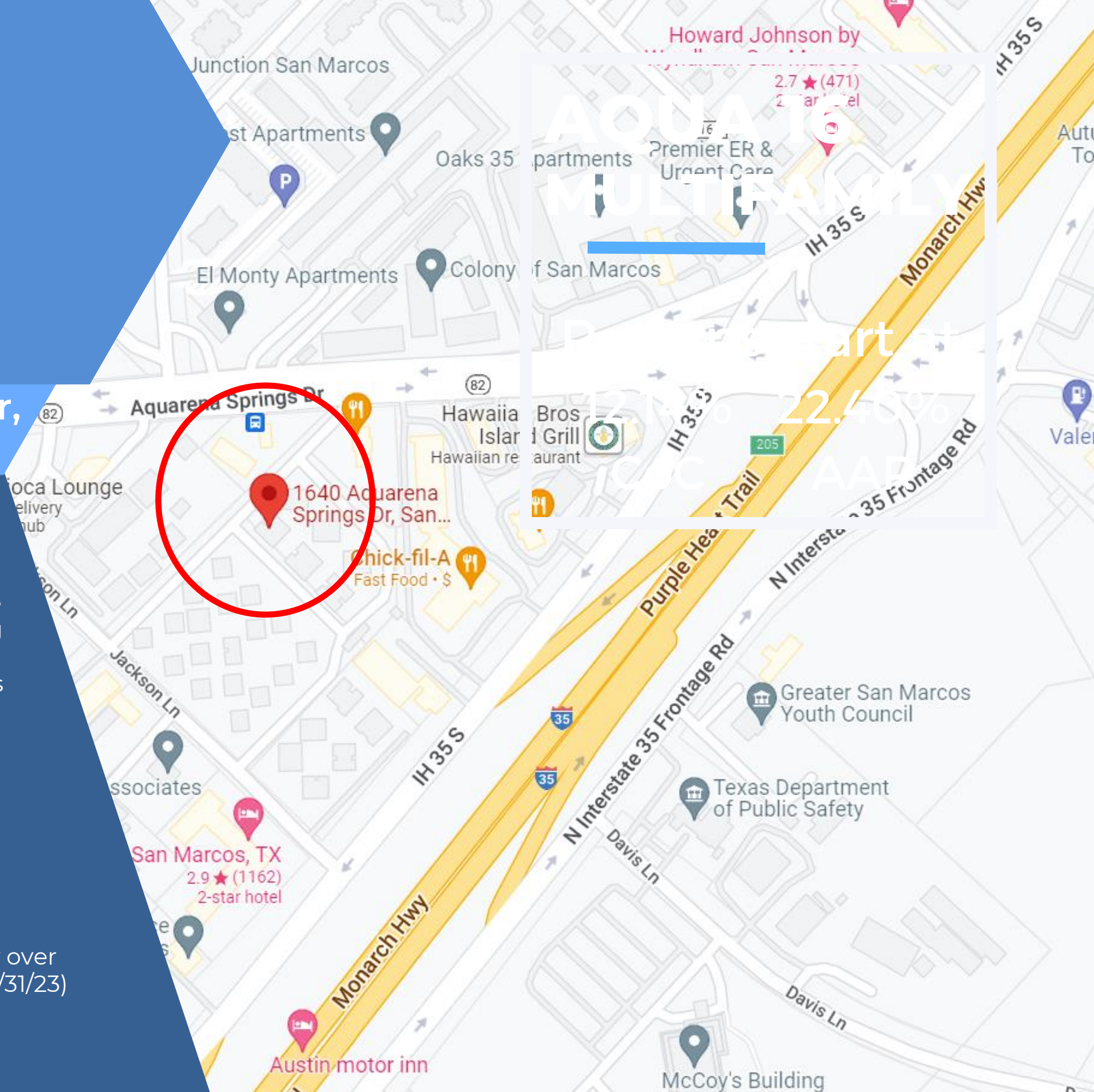
- Aqua 16 is uniquely positioned to capture significant increases in NOI by upgrading unit interiors, implementing a utility bill back program, and reducing concessions now that occupancy has stabilized

Strong property performance

- NOI growth ~20% over last few months

Outstanding fundamentals

- San Marcos submarket rental rates grew over 19.6% over the past 12 months (Norada 01/31/23)



**AQUA 16
MULTIFAMILY**

Property located at
1640 E Aquarena Springs Dr, San Marcos, TX 78666

12.1% Capex
22.46% AAR

BUSINESS PLAN

Income Opportunities	Go Green	Management Efficiencies
<ul style="list-style-type: none">● Build covered parking● Upgrade exteriors and interiors, add in-unit amenities● Provide concierge amenities	<ul style="list-style-type: none">● Install water-saving fixtures● Install energy-saving gadgets and light fixtures● Install solar panels● Install recycle bins	<ul style="list-style-type: none">● Reduction of operating costs through effective technology & processes● Efficient utility management and recovery● Install leak detection sensors and AC sensors

OFFERING SUMMARY

PREFERRED RETURN

8.0%

PROJECTED RETURNS

9.60% CoC

21.32% IRR

INVESTOR SPLIT

70/30

PROJECTED TERM

5 years

MINIMUM

\$100,000

ACCELERATED DEPRECIATION

40-50%

TOTAL EQUITY

\$4,500,000

EQUITY MULTIPLE

1.94X

All the numbers mentioned above are projected based on several data points and TM1 team's expertise to execute.
However, the investments are subject to market conditions, risks and performance may vary.

OFFERING SUMMARY

\$18,306,000
Purchase Price

5-year hold

\$27,887,000
Target Sales Price

Contact us



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SOURCES AND USES

Sources	Amount	% of Total
Equity – Cash	\$4,455,716	100%

Uses	Cost	% of Total
Equity Purchase	\$2,373,501	53.27%
Closing Costs	\$125,000	2.81%
Acquisition Fee	\$425,000	9.54%
Rehab – Outside of Loan	\$380,000	8.53%
Reserves	\$1,152,215	25.86%

PROFORMA P&L

	Year 1		Year 2		Year 3		Year 4		Year 5	
INCOME	1		2		3		4		5	
Avg Mo Rent	\$	1,229	\$	1,344	\$	1,411	\$	1,439	\$	1,468
Rent Increase \$	\$	74	\$	115	\$	67	\$	28	\$	29
Avg Rent per Sq/Ft \$	\$	1.52	\$	1.66	\$	1.75	\$	1.78	\$	1.82
Gross Potential Income	\$	2,403,924	\$	2,628,864	\$	2,760,307	\$	2,815,513	\$	2,871,824
- Vacancy	\$	(240,392) 10.0%	\$	(131,443) 5.0%	\$	(138,015) 5.0%	\$	(140,776) 5.0%	\$	(143,591) 5.0%
- Concessions, Loss to Lease, Bad Debt	\$	(48,078) 2.0%	\$	(78,866) 3.0%	\$	(55,206) 2.0%	\$	(56,310) 2.0%	\$	(57,436) 2.0%
Total Vacancy	\$	(288,471) 12.0%	\$	(210,309) 8.0%	\$	(193,222) 7.0%	\$	(197,086) 7.0%	\$	(201,028) 7.0%
Effective Gross Income	\$	2,115,453	\$	2,418,555	\$	2,567,086	\$	2,618,427	\$	2,670,796
Appliance Rental - 1st yr 81 units; 2nd yr 162 units	\$	72,900	\$	145,800	\$	150,174	\$	154,679	\$	159,320
Other Income	\$	185,000 \$1,135	\$	210,000 \$1,288	\$	220,500 \$1,353	\$	224,910 \$1,380	\$	229,408 \$1,407
Total Net Income	\$	2,373,353	\$	2,774,355	\$	2,937,760	\$	2,998,017	\$	3,059,524
EXPENSES	Hold % Tax Rate									
Real Estate Taxes	\$	284,510 \$1,745	\$	298,736	\$	313,673	\$	329,356	\$	345,824
Insurance	\$	137,700 \$845	\$	144,585	\$	151,814	\$	159,405	\$	167,375
Utilities	\$	221,789 \$1,361	\$	232,879	\$	244,523	\$	256,749	\$	269,586
Legal	\$	5,000 \$31	\$	5,250	\$	5,513	\$	5,788	\$	6,078
Management Fee	\$	91,097 \$559	\$	95,651	\$	100,434	\$	105,456	\$	110,729
Repairs and Maintenance / Turns	\$	69,816 \$428	\$	73,307	\$	76,972	\$	80,821	\$	84,862
General/Admin	\$	68,861 \$422	\$	60,012	\$	63,013	\$	66,164	\$	69,472
Payroll	\$	273,441 \$1,678	\$	287,113	\$	301,469	\$	316,542	\$	332,369
Total Expenses	\$	1,152,215 48.5%	\$	1,197,534 43.2%	\$	1,257,410 42.8%	\$	1,320,281 44.0%	\$	1,386,295 45.3%
Expernse Per Unit	\$	7,069	\$	7,347	\$	7,714	\$	8,100	\$	8,505
Net Operating Income (NOI)	\$	1,221,138	\$	1,576,821	\$	1,680,349	\$	1,677,736	\$	1,673,229

PROFORMA INVESTOR RETURNS

Returns - Class B Shares / LP	Year					SALE
Class B Member Return	1	2	3	4	5	
Beginning Member Capital	\$ 6,805,716	\$ 2,984,984	\$ 2,984,984	\$ 2,984,984	\$ 2,984,984	\$ 2,984,984
Project Cashflow	\$ (445,229)	\$ 438,510	\$ 513,875	\$ 437,150	\$ 237,832	\$ 237,832
Cash on Cash Return	-6.54%	14.69%	17.22%	14.64%	7.97%	7.97%
Profits from Refinance or Sale	\$ -	\$ -	\$ -	\$ -	\$ 5,184,865	\$ 5,184,865
Return of Member Capital	\$ 3,820,732	\$ -	\$ -	\$ -	\$ 2,984,984	\$ 2,984,984
Ending Member Capital	\$ 2,984,984	\$ 2,984,984	\$ 2,984,984	\$ 2,984,984	\$ -	\$ -
Total Return on Investment	\$ (445,229)	\$ 438,510	\$ 513,875	\$ 437,150	\$ 5,422,697	\$ 5,422,697
Total Return	93.55%					
IRR	21.32%					
Average Cash on Cash Return	9.60%					
Annualized Return	18.71%					
Equity Multiple	1.94					
Refi Year - EOY	1					
Year Exit - EOY	5					