NEELY PROPERTY INVESTMENTS

Aspen Apartments

1411–1425 N Liberty Street · Boise, Idaho 83704

Post-close recap · August 2026

STATUS

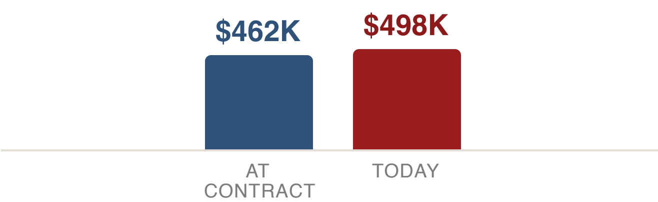
Closed Aug 28, 2026

Sponsor-funded · no raise contingency

How our thesis is proving out since we went under contract

Income has grown into our underwriting, recent leases are signing higher, and the financing improved. We closed August 28 with the sponsor funding the equity balance, and are syndicating the remaining $1,400,000 of an approximately $2.8M LP book on the same basis.

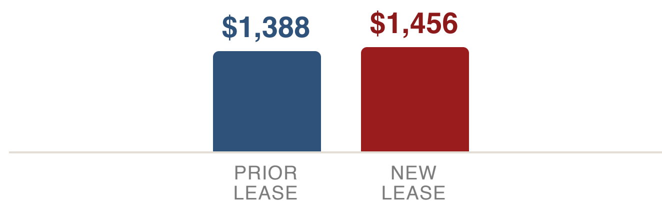
TRAILING-12 NOI



▲ +7.9%

Feb '25-Jan '26 vs. trailing-3-month annualized

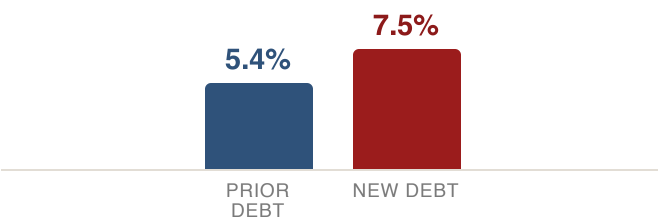
LEASE TRADE-OUTS -- DOCUMENTED



▲ +4.9% · +$68/mo

14 lease events since January with documented priors · none lower

AVG LP CASH YIELD -- UNDERWRITTEN



▲ +2.1 pts

5-yr average · builds to ~9.5% by Year 5

FINANCING UPGRADED

Senior rate	6.79% → **6.24% locked**
Interest-only	1 yr → **full 5-yr term**
Execution	Bank → **Institutional**

Lower rate, full-term interest-only, far more certainty of close. Underwriting still runs 6.25%.

Why buy in after the close

No execution risk
A closed deal. No raise contingency, no financing contingency, no capital call to make the closing happen.

Same basis, no markup
$8,750,000, the price marketed before the close. Nobody pays a premium for the bridge. The sponsor is selling down to the co-invest he planned to hold.

Underwrite actuals
Executed loan documents with the final rate and proceeds, the signed closing statement, and the in-place rent roll. Not estimates.

Renovation funded
The $249,238 capital budget sits inside the capitalization at close, not raised later out of cash flow. It starts on the first turn.

Sponsor in dollars
Brent Neely funded the entire equity balance to close, signed the guaranty, and keeps at least 5% of member equity on the same documents as every LP.

The offer: the remaining $1,400,000 of an approximately $2.8M LP book, half of it subscribed before close by seven investors at the same basis, admitted after closing, funding through October 31, 2026. Capital is called on admission and earns the preferred return from the date it funds. The tradeoff, stated: a post-close investor gives up the pre-close diligence window and takes the deal as underwritten and closed.

The bottom line

The case rested on Boise's growth and the in-place renovation upside the prior owner had already demonstrated. We haven't had to wait for the hold to see it work: trailing income has grown ~8% into our underwriting, all 14 documented lease events since January signed higher or flat (+4.9% average, none lower; one unit went $1,310 to $1,620 on June 30, a 23.7% turn lift), and the property is 100% leased and occupied. We closed August 28 with the sponsor funding the equity balance, and the LP position described here is syndicated after that, on the same basis.

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ACQUISITION

$8,750,000

45 Units · 12 Buildings · $194K/door

YEAR BUILT	LEASED / OCC	AVG RENT	AVG SF	HOLD PERIOD	CLOSED
1964 · 1970 · 2000 three construction phases	100% / 100% 45 of 45	$1,387 Mkt $1,561 · Post-reno $1,641	841	5 Years	Aug 28, 2026 sponsor-funded

Investment thesis

Aspen Apartments is a 45-unit, twelve-building value-add acquisition on Boise's West Bench priced at **$194K/door**, below replacement cost for newer comparable product. The prior owner renovated **27 of 45 units** to a full spec, and those units are leasing today at $1,295-$1,655. The plan is to finish what the seller started: complete the **remaining 11 renovations** on natural turn, address $100K of deferred exterior and mechanical capex flagged in the PCA, and capture both the mark-to-market lift ($1,387 in-place → $1,561 current market) and the value-add lift ($1,561 → $1,641 stabilized post-reno). The renovation premium is in-place, not aspirational.

RENOVATION PREMIUM -- IN PLACE

1BR/1BA · 674 SF
$1,325 → $1,525
+$200/mo underwritten

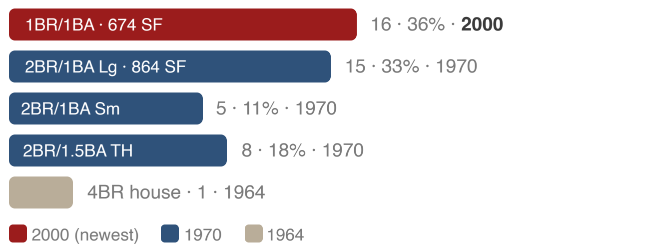
2BR/1BA Lg · 864 SF
$1,475 → $1,675
+$200/mo underwritten

2BR/1BA Sm · 800 SF
$1,450 → $1,650
+$200/mo underwritten

2BR/1.5BA TH · 975 SF
$1,525 → $1,725
+$200/mo underwritten

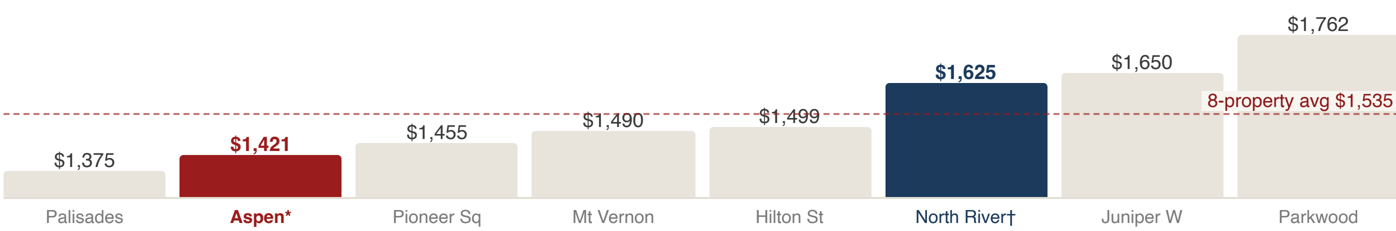
Underwritten premium is in-place: 27 already-renovated units lease today at $1,295-$1,655. The model takes a uniform $200/mo premium across unit types.

UNIT MIX BY VINTAGE -- 45 UNITS, 12 APARTMENT BUILDINGS + CARPORT



Status: **27 renovated (60%)** · **11 planned** + 7 staying classic (40%). Post-close: 11 classics → reno; 6 classics and the 4BR house held as-is.

SUBMARKET RENT POSITIONING -- 2BR ASKING RENTS



*Aspen 2BR blended in-place across 28 two-bedroom units; comps show 2BR asking rents. Average includes all 8 properties. †NPI-owned, 1971 vintage, 2.3 mi from Aspen. Source: HelloData + independent appraisal (May 2026).

Why the gap exists

Aspen's 2BR in-place average of **$1,421/mo** sits $114/unit below the 8-property average and $204 below NPI's own North River asking rent, a loss-to-lease the renovation plan converts to NOI. The 27 already-renovated units are leasing today at $1,295-$1,655, validating the premium on in-place leases rather than projections. The independent appraisal concluded blended market rents of $1,561/unit; NPI's underwritten post-reno blended rent of $1,641 is just 5.1% above the appraisal. NPI operates North River Apartments 2.3 miles away, a 1971-vintage property currently asking $1,625 for renovated 2BR/1BA and $1,950 for renovated 3BR/1BA, confirming demand depth at and above Aspen's underwritten rents.

Boise, Idaho -- market context

13.1%	5.0%	↓60%	$108.8K
Boise metro population growth 2020-2024, 3x the U.S. average	Multifamily vacancy (Q4 2025), recovering from 5.6% peak	MF construction starts vs 2023 peak; supply tightening ahead	Boise HUD median family income; Aspen avg rent = 51% of ceiling

Boise's affordability ceiling of roughly $2,720/mo (30% of $108.8K median family income) leaves substantial headroom above Aspen's $1,387 in-place average and the $1,641 stabilized post-reno target. New multifamily construction starts have dropped 60%+ from the 2023 peak, and the supply surge that softened rents in 2023-2024 is dissipating. Workforce housing at Aspen's price point faces the least competition from new Class A deliveries.

Business plan

1

Finish the lift

Closed Aug 28, 2026, sponsor-funded. The $249,238 capital budget is funded at close: renovate 11 classic units on natural turn (~$13.6K/unit) and address $100K of PCA-flagged exterior and mechanical work.

2

Stabilize

Years 2-4. Mark-to-market completes by July 2027 on actual lease expirations, then 3.5% organic growth and professional management. Full-term interest-only debt keeps cash flow high through the hold.

3

Sell

Year 5 exit at a 5.50% cap on a stabilized 45-unit asset. 6 remaining classics and the 4BR house left as upside for the next buyer. Base-case exit $13.9M.

SOURCES & USES

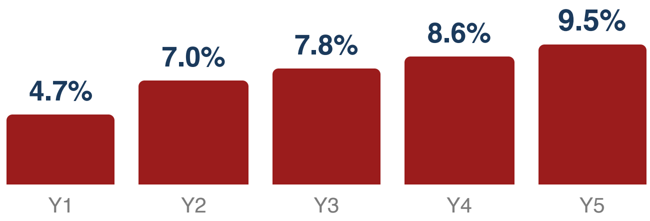
Purchase price	$8,750,000
Acquisition fee (2%)	$175,000
Rate buydown (1%)	$65,350
Loan fees, DD, legal & third-party	$205,995
Closing costs (net credit at settlement)	($44,674)
Unit renovation (11 units)	$149,238
Other CapEx (exterior/mechanical)	$100,000
Guarantor fee (0.5%)	$31,725
Operating reserves (4 mo)	$82,352
Total uses	**$9,514,986**
Senior loan (fixed-rate)	$6,535,000
LP equity (95%)	**$2,830,986**
GP co-invest (5%)	$149,000

Closing costs net to a credit because the property tax proration and the assigned tenant deposits transfer to the buyer at settlement. About $77K of that is working capital that reverses at sale, not money saved, and roughly 56 bps of the return improvement rests on that timing. The sponsor's total retained investment is $200,000; the 5% line is the modeled co-investment, with the balance held in LP units alongside investors.

DEBT SUMMARY -- FIXED-RATE FINANCING

Loan program	Institutional fixed-rate
Loan amount / LTV	$6.54M / 74.7%
Rate	6.24% locked / 6.25% underwritten
Amortization	30-year
Interest only	Full 5-year term
Term	5 years
Recourse	Non-recourse (carve-outs)
Annual debt service	$414,110
Year 1 DSCR	1.43x

OPERATING CASH YIELD TO LPS -- BASE CASE



Full-term interest-only; yield builds steadily. Average annual LP cash yield ~7.5% over the hold. Operating cash from property operations only (excludes sale proceeds).

PROJECTED RETURNS TO LP -- UNDERWRITTEN TO 5-YEAR EXIT

All figures shown net to the LP after sponsor fees, debt service, and waterfall splits. Projected and targeted only; actual results will differ.

NPI underwriting model v4.5: senior loan of $6,535,000, rate locked August 26, 2026 at 6.24% all-in, 60-month term, interest-only for the full term. Proceeds and rate are both fixed. Underwriting conservatively carries 6.25%, one basis point above the locked coupon.

	Downside	Base case	Upside
LP IRR (net, blended)	10.0%	**20.21%**	25.3%
LP equity multiple (net)	1.55x	**2.36x**	2.87x
Value of $100K LP investment	$155,000	**$236,000**	$287,000
Exit sale price (gross)	$10.71M	**$13.94M**	$16.04M

SCENARIO ASSUMPTIONS

	Downside	Base case	Upside
Annual rent growth	1.0%	3.5%	5.0%
Annual expense growth	2.0%	2.0%	2.0%
Stabilized vacancy	7.0%	5.0%	4.0%
Year 5 exit cap rate	6.00%	5.50%	5.25%
Renovation premium capture	75%	100%	100%

WATERFALL STRUCTURE (LP / GP)

Tier 1	Tier 2
8%	70 / 30
Preferred return to LP	Above the pref
100% LP	LP / GP
until the pref	no catch-up

LPs receive full return of capital and an 8% preferred return before any GP participation. Profits above the pref split 70/30 (LP/GP), with no GP catch-up. **GP co-invests at least 5% of member equity ($149,000).**

Sponsor -- Neely Property Investments

Boise-based multifamily owner-operator. NPI's portfolio in Boise's West Bench runs the same value-add playbook on similar-vintage assets: finish partial renovations, address deferred capex, drive in-place rents to market. NPI co-invests alongside LPs in every deal.

Aligned sponsor

Brent Neely personally funded the full equity balance at closing, signed the guaranty, and qualified the loan on his own balance sheet. He retains at least 5% of member equity ($200,000) on the same terms and the same documents as every other investor.

LP INVESTMENT MINIMUM

$50,000

$2.8M LP equity · $1.4M subscribed · $1.4M remaining, offered here · investors admitted after closing · funding through October 31, 2026.

CONTACT

Brent Neely
Neely Property Investments, LLC
brent@neelypi.com