

# TUSCANY APARTMENTS | PAPILLION, NE

## THE PROPERTY

Tuscany Apartments is a newly constructed, institutional grade, Class A garden-style community located in one of Omaha's strongest performing sub-markets. Tuscany has 392 units and a best-in-class amenity package including attached garages, 24-hour fitness center, resort-style swimming pool, free Wi-Fi, game room and dog wash station. Tuscany caters to the needs of its residents with a range of concierge services such as dog walking, house cleaning, package delivery and dry cleaning. Rents average \$900 for one-bedroom units, \$1,225 for two-bedroom units, and \$1,515 for three-bedroom units.

## THE DEAL HIGHLIGHTS

- Metonic acquired a stalled multifamily development project with 48 units on 20 acres at a 28% discount to appraised value.
- Working closely with local authorities, Metonic increased permitted density to 392 units.
- Partnering with our property management affiliate, Seldin Company, and a local general contractor, Metonic designed and built a cost-efficient apartment community.
- Metonic negotiated favorable construction financing terms due to an excellent track record and depth of experience.

## THE RESULTS<sup>1</sup>

- Due to permanent financing market volatility at construction completion, Metonic refinanced the construction loan and returned approximately 68% of contributed equity, lowered the interest rate and extended interest-only payments for an additional year.
- Tuscany Apartments was constructed at a 7.5% return on cost.
- Based upon an estimated market value of \$49.4 million, investors would receive a 26% leveraged IRR after 42 months of ownership.

<sup>1</sup>As of December 2015.

## CASE STUDY



### Acquisition Information

Acquisition Date .....	May 2012
Purchase Price .....	\$7,350,000
Project Completion .....	July 2015
Construction Cost .....	\$41,500,000
Price Per Unit .....	\$105,900
Equity Deployed .....	\$9,243,285
Estimated Market Value <sup>1</sup> .....	\$49,400,000 <sup>1</sup>

### Returns<sup>1</sup>

Estimated Leveraged IRR .....	26%
42-Month Capital Return .....	68%
Stabilized NOI .....	\$3,109,000
Return on Construction Cost .....	7.5%