

Case Study- Heritage Village

Asset Overview

- In March 2020, Edison Equity purchased Heritage Village for a total cost of \$23.3MM (\$194K/unit).
- The Active Adult 55+ property is located in Hurst, Tx (near Northeast Mall) and consists of 120 units including 10 cottage units. The property also includes an indoor heated swimming pool, an onsite salon, and membership access to the Hurst Senior Center sharing the adjacent parking lot.
- Edison Equity acquired the property via an off market transaction from a Multifamily Developer out of Dallas.
- The strategy was a light value add renovation to the common area spaces and the interior units. The \$500K renovation included upgrading the clubhouse/amenity spaces, adding double access sliding doors to the entrance, and renovating approximately 100% of the interior units.

Business Plan

The repositioning of the asset encompassed several improvements to the asset, including:

- The addition of double automatic sliding doors to the property entrance and upgrading the kitchen/dining area with a new island, lighting, and coffee station.
- The lounge/game area and library room were updated with a brighter paint scheme, an aquarium addition, new tiled fireplace, lounge furniture, and senior friendly tables/chairs.
- Interior units were experienced a variety of upgrades including new paint in the living/bedrooms, kitchen gooseneck faucet addition, kitchen backsplash, and faux wood flooring throughout the living area.
- As a result of the property renovations, Property Management was able to increase in place rents by an average of \$206 over the hold period.
- Exit Strategy
- ✓ Edison Equity utilized an “off-market” process with a local broker who represented an out-of-state buyer with an existing DFW portfolio presence.
- ✓ Sales price of \$25MM in line with proforma.

Heritage Village - Light Value Add



Property Details

Location	Hurst, TX
Units	120
Investment Type	JV Equity
Acquisition Date	March 2020
Sales Price	\$25MM
Targeted Sale Date	12/2022
Gross IRR	24.9%
Equity Multiple	1.72x