MIDTOWN APARTMENTS

255 E 5th Avenue | Belton, TX 76513

±0.7 Miles From The University of Mary Hardin-Baylor | ±3,900 Students

Multifamily Investment Opportunity

Offering Memorandum

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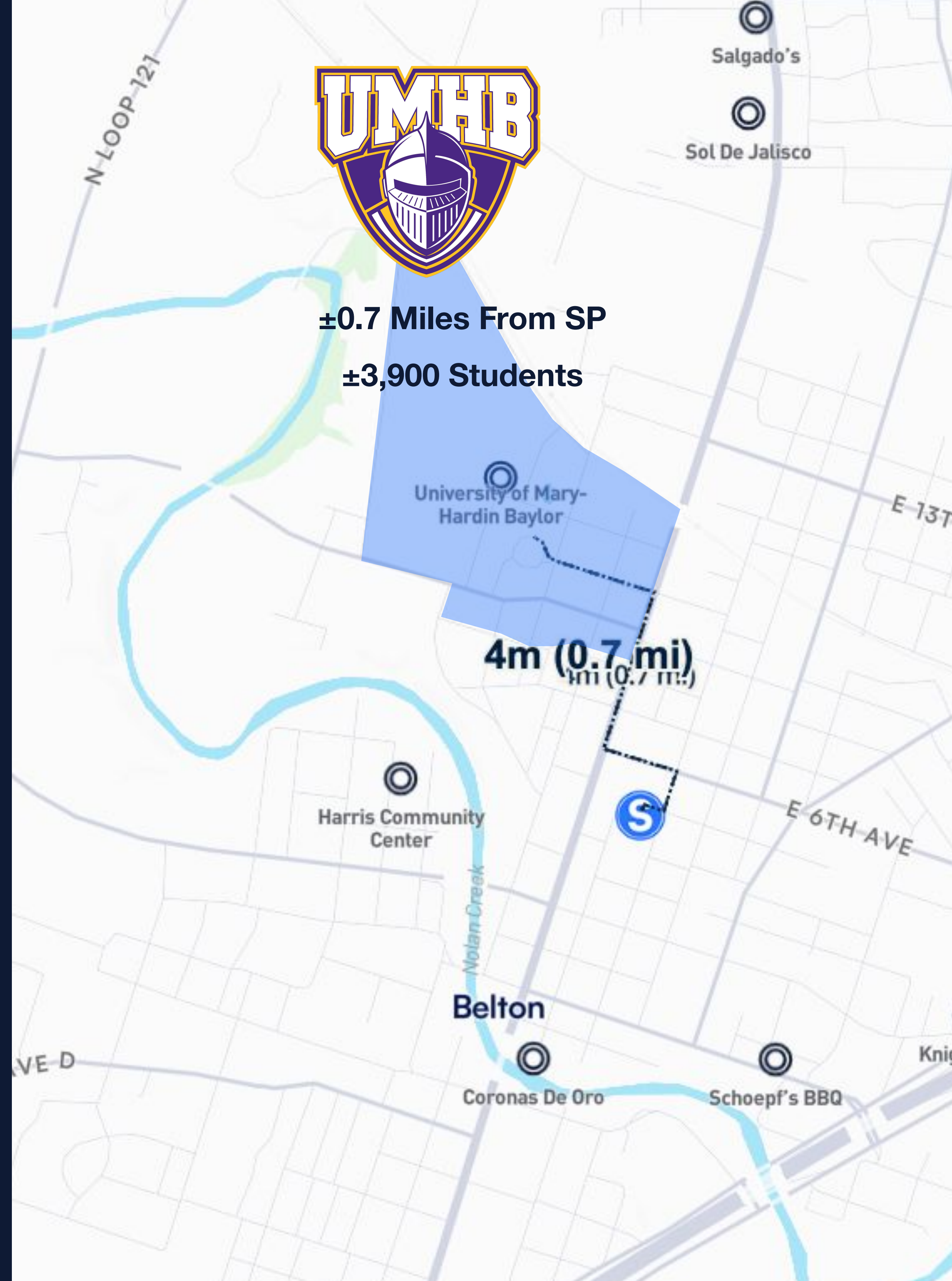

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PROPERTY OVERVIEW

EXECUTIVE SUMMARY

255 E 5th Ave
Belton, TX 76513

18
Total Units

±1,168 SF
Avg. Unit SF

±21,030 SF
Building SF

INVESTMENT HIGHLIGHTS

Location Adjacent to the University of Mary Hardin-Baylor

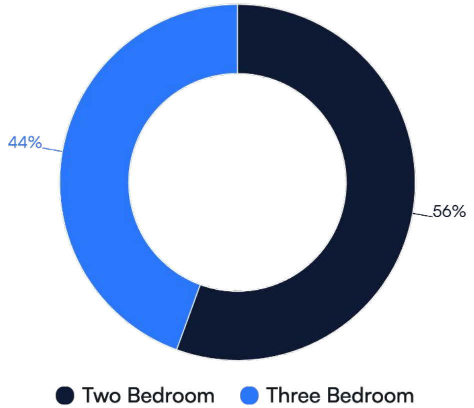
The property sits minutes from the University of Mary Hardin-Baylor, a private university anchoring Belton's local economy and generating consistent rental demand from students, faculty, staff, and university-adjacent professionals. Proximity to the university supports both leasing velocity and rent stability, and the broader Belton demand base — driven by Fort Cavazos, Baylor Scott & White Health, and continued I-35 corridor migration — provides multiple tenant pools beyond the university itself.

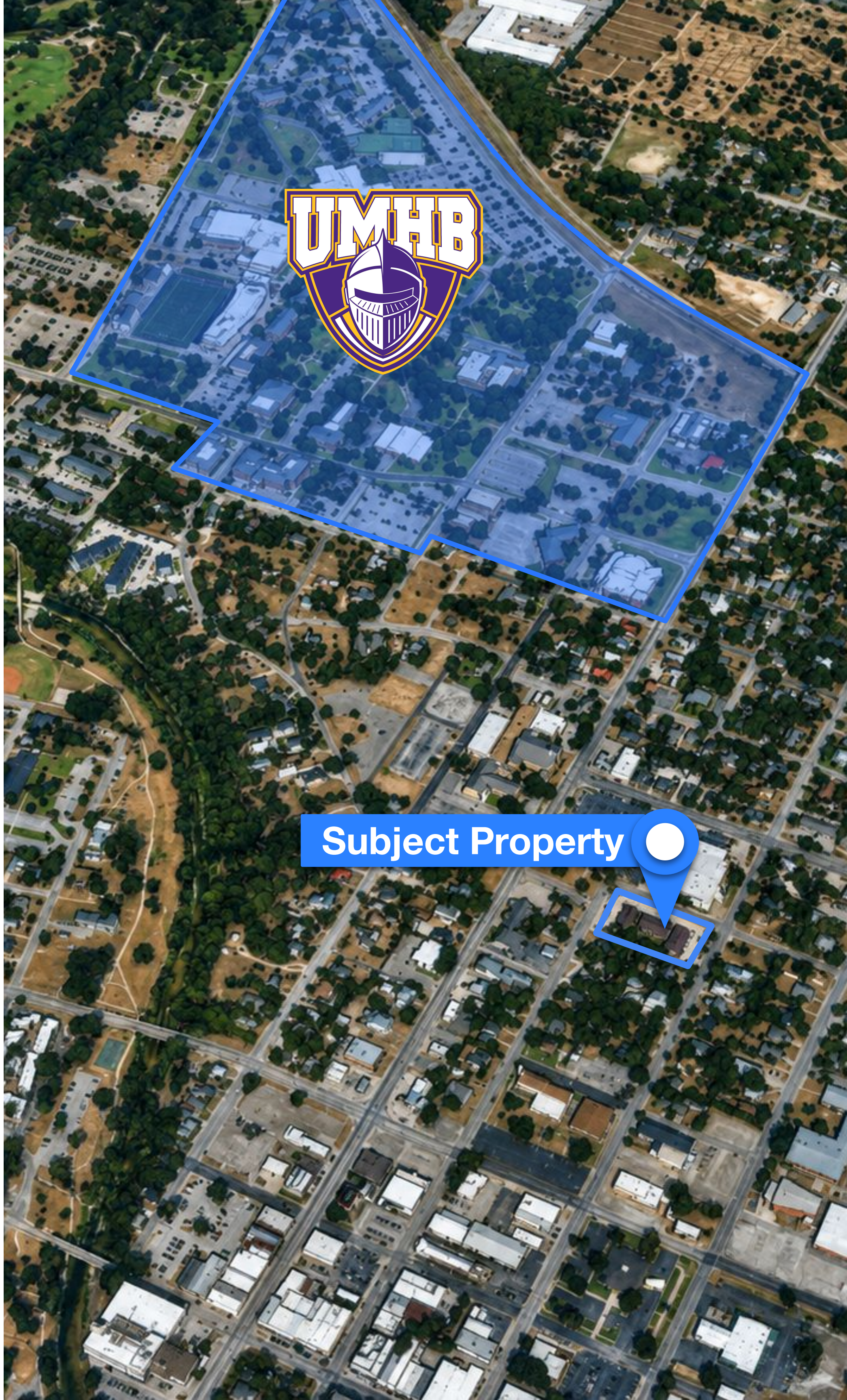
Newer Construction with Long-Term Capital Efficiency

Built in 2018, the property offers a rare opportunity to acquire newer vintage multifamily in the Central Texas corridor at a below-primary-metro cost basis. The 2018 build year meaningfully reduces near-term capital exposure on roof, mechanical, plumbing, and building envelope items that typically drive deferred maintenance risk in older Belton and Bell County inventory, allowing an incoming owner to focus capital on revenue-generating improvements rather than baseline preservation.

Efficient Unit Mix of All 2-Bedroom and 3-Bedroom Layouts

The 18-unit property consists entirely of two-bedroom/one-bath and three-bedroom/one-bath floor plans, a family- and roommate-oriented mix that supports higher gross rent per unit and aligns with Belton's deepest demand segments — small households, military families, and student roommate groups drawn to the university and Fort Cavazos. Current in-place rents averaging over $1,100 reflect the pricing power of the larger-format mix.






N
UMHB UNIVERSITY OF MARY HARDIN-BAYLOR
University of Mary Hardin-Baylor
±3,900 Students | ±330 Employees
Grothway Square
Walmart Supercenter
H-E-B
Walgreens
CVS pharmacy
Leon Heights Elementary
±250 Students
Belton Lake Outdoor Recreation Area
±10 Miles Away
Heritage Park
±2 Miles Away
Temple Mall
Walmart Supercenter
planet fitness
Dillard's
sam's club
H-E-B
bealls OUTLET
KOHL'S
ALDI
Belton High School
±1,760 Students
Belton Middle School
±700 Students
Fort Cavazos
±38,000 Active Duty Soldiers | ±23 Miles Away
Major Military Installation And Regional Economic Driver.
Harris Community Park
±1 Miles Away
N Main St ± 13,215 VPD
planet fitness
TEMPLE COLLEGE
Your Community's College
Temple College
±5,400 Students | ±140 Employees
Belton Early Childhood School
±495 Students
Yettie Polk Park
±1 Miles Away
Subject Property
BaylorScott&White HEALTH
±640 Beds | ±8,800 Employees
Belton New Tech High School
±285 Students
Nolan Creek
±3.9 Miles Away
Bell County
Courthouse
Belton Independent School District
±2,000 Employees
EXPO!
BELL COUNTY EXPOSITION CENTER
INTERSTATE 35
± 108,830 VPD
Killeen-Fort Hood Regional Airport
±27 Miles Away
Downtown Belton
Google Earth

A WELL-MAINTAINED 2018 ASSET

INTERIOR PHOTOS

FINANCIAL OVERVIEW

FINANCIAL SUMMARY

$1,800,000 List Price	**$100,000** Price Per Unit	**$85.59** Price Per SF	**±1,168 SF** Avg Unit Size (SF)

Unit Mix

Total Units	Unit Mix	Unit Mix %	Avg. Square Feet	Current Avg. Rent PSF	Current Avg. Rent	Market Avg. Rent	Market Rent PSF	Current Max Rent	Total Current Monthly Rent	Market Monthly Rent
10	2 bed x 1 bath	56%	1,095	$0.94	$1,026	$1,060	$0.97	$1,195	$8,210	$10,600
8	3 bed x 1 bath	44%	1,260	$0.98	$1,230	$1,225	$0.97	$1,295	$7,380	$9,800
18	**Average**		**1,168**	**$0.95**	**$1,114**	**$1,133**	**$0.97**	**$1,239**	**$15,590**	**$20,400**
	Total		**21,030**		**$15,590**	**$20,400**		**$2,384**	**$187,080**	**$244,800**

FINANCIAL SUMMARY

Annual Operating Summary

	Pro Forma Estimates		T-12	Per Unit	Year 1 Adjusted	Per Unit	Year 3 Stabilized	Per Unit
Gross Potential Rent	0%	Over Actual	$231,407		$244,800	Market Rent	$259,708	39%
Less Vacancy	-10.0%		$0	0.00%	-$24,480	-10.0%	-$12,985	-5.0%
Loss/Gain to Lease	2.0%		$0	0.00%	$4,896	2.0%	-$2,597	-1.0%
Less Concessions	-0.50%		-$2,300	-0.99%	-$1,224	-0.5%	-$1,299	-0.5%
Less Change in Delinquency	-0.50%		$0	0.00%	-$1,224	-0.5%	-$1,299	-0.5%
Expense/Utility Reimbursement	60%	Collected	$11,997	$667	$19,137	$1,063	$20,106	$1,117
Other Income	2%	Over Actual	$3,843	$213	$3,919	$218	$4,078	$227
Pet Fees/Rent	2%	Over Actual	$2,990	$166	$3,050	$169	$3,173	$176
Late Fees	2%	Over Actual	$1,193	$66	$1,217	$68	$1,266	$70
Gross Operating Income			**$249,130**		**$250,091**		**$270,152**	
Expenses			$173,242	69.5%	$122,611	44.66%	$129,262	45.65%
Net Operating Income			**$75,888**	**$4,216**	**$127,480**	**$7,082**	**$140,889**	**$7,827**

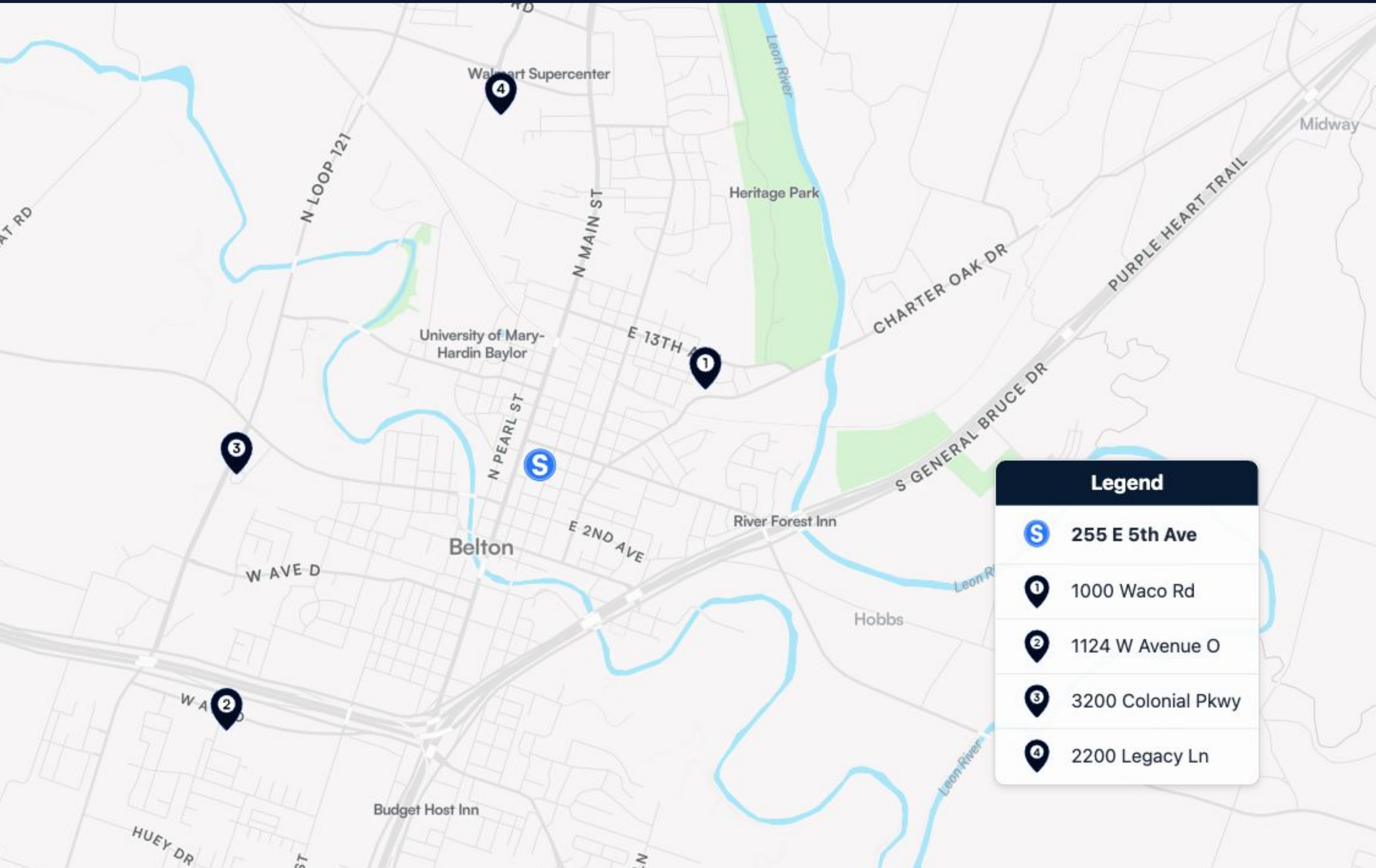
Pro Forma Annual Operating Expenses

	Pro Forma Estimates		% of Current SGI	T-12	Per Unit	Year 1 Adjusted	Per Unit	Year 3 Stabilized	Per Unit	% of SGI
Real Estate Taxes		Total	22.50%	$52,065	$2,892	$36,560	$2,031	$38,411	$2,134	14.8%
Property Management Fee	6.0%	GOI	8.23%	$19,052	$1,058	$15,005	$834	$16,209	$901	6.2%
Insurance	$750.00	Per Unit	5.84%	$13,523	$751	$13,500	$750	$14,183	$788	5.5%
General and Administrative	$125.00	Per Unit	0.93%	$2,148	$119	$2,250	$125	$2,364	$131	0.9%
Contract Services	$50.00	Per Unit	0.10%	$226	$13	$900	$50	$946	$53	0.4%
Landscaping/Grounds	$100.00	Per Unit	3.03%	$7,018	$390	$1,800	$100	$1,891	$105	0.7%
Turnover	$250.00	Per Unit	14.07%	$32,553	$1,809	$4,500	$250	$4,728	$263	1.8%
Repairs & Maintenance	$500.00	Per Unit	4.59%	$10,619	$590	$9,000	$500	$9,456	$525	3.6%
Electricity	2%	Over Actual	0.36%	$825	$46	$841	$47	$884	$49	0.3%
Water/Sewer	2%	Over Actual	4.10%	$9,479	$527	$9,668	$537	$10,158	$564	3.9%
Trash Removal	2%	Over Actual	5.00%	$11,561	$642	$11,792	$655	$12,389	$688	4.8%
Telephone & Internet	2%	Over Actual	4.06%	$9,405	$523	$9,594	$533	$10,079	$560	3.9%
Marketing/Advertising	$150.00	Per Unit	2.06%	$4,768	$265	$2,700	$150	$2,837	$158	1.1%
Reserves	$250.00	Per Unit	0.00%	$0	$0	$4,500	$250	$4,728	$263	1.8%
Total Expenses			**69.54%**	**$173,242**	**$9,625**	**$122,611**	**$6,812**	**$129,262**	**$7,181**	**49.8%**
				Current	**Per Unit**	**% of SGI**				
Non-Controllable Expenses Taxes, Ins., Reserves				$72,606	$4,034	29.7%				
Total Expense without Taxes & Reserves				$121,177	$6,732	49.50%				

TWO BEDROOM RENT COMPARABLES

	Address	Name	City	Zip	Year Built	Units	Floorplan	Avg Unit Size	Avg. Rent Per Unit	Rent PSF
S	**255 E 5th Ave**	**Midtown Apartments**	**Belton**	**76513**	**2018**	**18**	**2 bed x 1 bath**	**1,095**	**$1,026**	**$0.94**
1	1000 Waco Rd	-	Belton	76513	1984	17	2 bed x 1.5 bath	1,150	$1,100	$0.96
2	1124 W Avenue O	The Crossroads at Beltons	Belton	76513	2023	120	2 bed x 2 bath	1,015	$1,350	$1.33
3	3200 Colonial Pkwy	Colonial Crossing Apartments	Belton	76513	2016	340	2 bed 2 bath	1,042	$1,030	$0.99
4	2200 Legacy Ln	Legacy Landing Apartments	Belton	76513	2009	224	2 bed x 2 bath	1,042	$1,095	$1.05
	Totals/Averages				**2008**			**1,042**		**$1.05**

TWO BEDROOM RENT COMPARABLES MAP



MARKET OVERVIEW

BELTON, TX

Market Demographics

23,769
Total Population

7,755
# of Households

51.5%
Homeownership Rate

$63,544
Median HH Income

30.3
Median Age

$252,000
Median Property Value

Local Neighborhood Overview

Located in the heart of **Downtown Belton**, **255 E. 5th Avenue** benefits from immediate access to the city's historic commercial district, Bell County government offices, and the University of Mary Hardin-Baylor. The property is minutes from Interstate 35, providing convenient connectivity throughout the Austin–Waco corridor and the larger Temple metropolitan area. Continued residential growth, expanding healthcare services, and a diverse employment base support steady consumer demand and long-term investment potential.

Belton offers a balanced mix of small-town character and regional accessibility. The surrounding area is anchored by higher education, healthcare, government, and manufacturing employers, while nearby recreational destinations such as Belton Lake enhance the community's quality of life. Ongoing public and private investment in downtown revitalization and infrastructure continues to strengthen Belton's position as one of Central Texas' most desirable communities for residents and businesses.

Property Demographics

Population	3-Mile	5-Mile	10-Mile
Five-Year Projection	35,722	90,893	183,223
Current Year Estimate	31,878	80,560	162,342
2020 Census	29.650	71,534	143,825
Annual Growth 2025-2030	2.4%	2.6%	2.6%
Annual Growth 2020-2025	1.9%	3.2%	3.2%
Households	**3-Mile**	**5-Mile**	**10-Mile**
Five-Year Projection	12,233	33,461	69,573
Current Year Estimate	10,882	29,600	61,509
2020 Census	10,083	26,400	54,621
Annual Growth 2025-2030	2.5%	2.6%	2.6%
Annual Growth 2020-2025	1.7%	2.8%	2.8%
Income	**3-Mile**	**5-Mile**	**10-Mile**
Average Household Income	$84,056	$91,611	$82,324

The University of Mary Hardin-Baylor (UMHB), founded in **1845**, is the oldest continuously operating college in Texas and a private Christian university in Belton. Located on a **340-acre campus**, UMHB enrolls approximately **3,900 students** and offers **80+ undergraduate, graduate, and doctoral programs** in business, nursing, education, health sciences, engineering, and the liberal arts. Known for its personalized education, nationally competitive NCAA Division III athletics, and strong nursing and education programs, UMHB emphasizes leadership, service, and career preparation while attracting students from across Texas and beyond.

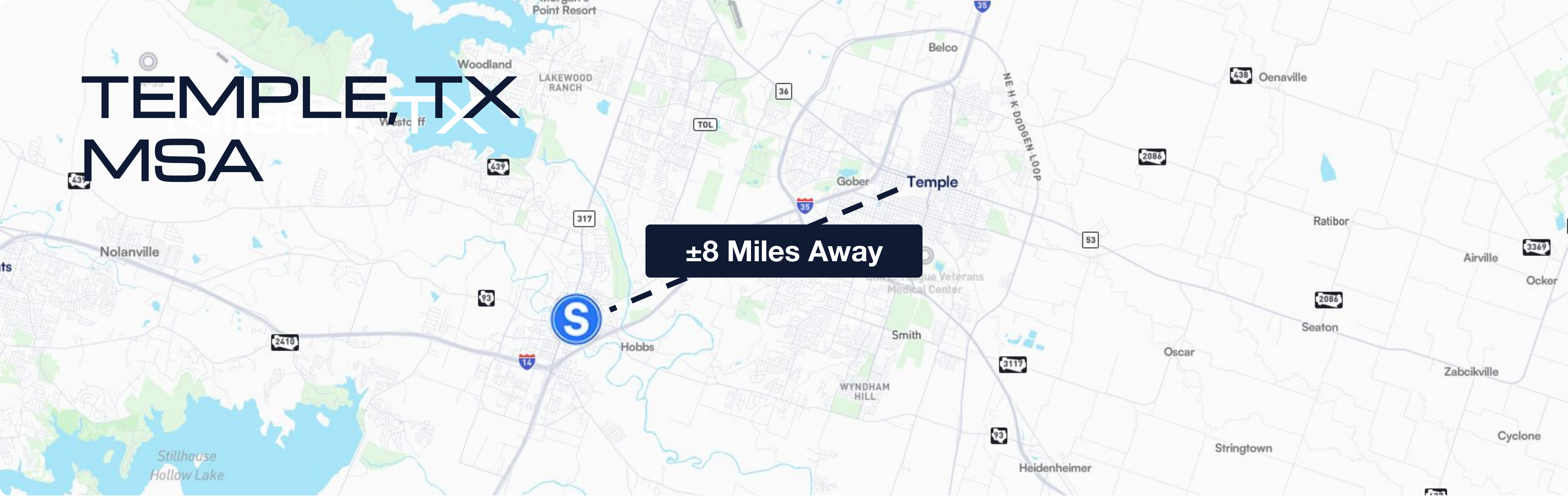
±0.7 Miles	±3,900	80+ Programs	±330
Distance From SP	Enrollment	Student Life	Employees

1845
Year Founded

#7 in Texas
Best College Athletics
- *Niche*

340 Acres
Campus Size

TEMPLE, TX MSA



Local Market Overview

Temple is a growing Central Texas community strategically located along the I-35 corridor between Austin and Waco. The city combines strong regional connectivity with a diversified employment base, making it an attractive market for residents, employers, and investors. Temple benefits from convenient access to major Texas population centers while maintaining a comparatively accessible cost structure and business-friendly environment.

The local economy is anchored by healthcare, education, manufacturing, logistics, and government-related employment. Temple's healthcare sector is particularly significant, with Baylor Scott & White Medical Center – Temple serving as a major regional healthcare and employment hub. Continued residential and commercial development, along with Temple's position along the I-35 corridor, supports ongoing demand for housing, retail, and services.

Temple has continued to expand as the broader Central Texas region grows. The city currently has approximately **±98,000 residents, 37,229 households, and a median household income of $71,931**. About **31.4% of residents hold a bachelor's degree or higher**, and Temple's employment rate is approximately **62%**.

98,000
Total Population

$71,931
Median HH Income

37,229
# of Households

FORT HOOD ARMY INSTALLATION

Economic Impact

Belton's location along the Interstate 35 corridor between Austin and Waco supports consistent demand for industrial outdoor storage, contractor yards, fleet parking, and logistics-oriented uses. Ongoing population growth, commercial development, and a diverse employment base anchored by Bell County, the University of Mary Hardin-Baylor, nearby healthcare systems, manufacturing, and Fort Cavazos generate steady demand from contractors, transportation companies, utility providers, and equipment operators requiring functional industrial space.

Immediate access to I-35 and US-190/I-14 provides connectivity throughout Central Texas, allowing businesses to efficiently serve Austin, Waco, Temple, Killeen, and surrounding markets. The region's affordability continues attracting construction firms, infrastructure contractors, logistics operators, and service businesses seeking lower occupancy costs than larger Texas metros.

From an industrial outdoor storage perspective, the Belton market benefits from a limited supply of functional yard space combined with growing demand from local and regional operators. Properties offering secured outdoor storage, trailer parking, contractor laydown yards, fleet staging, and convenient access to major transportation corridors are well positioned to capitalize on sustained industrial and service-sector activity across the Temple-Belton-Killeen region.

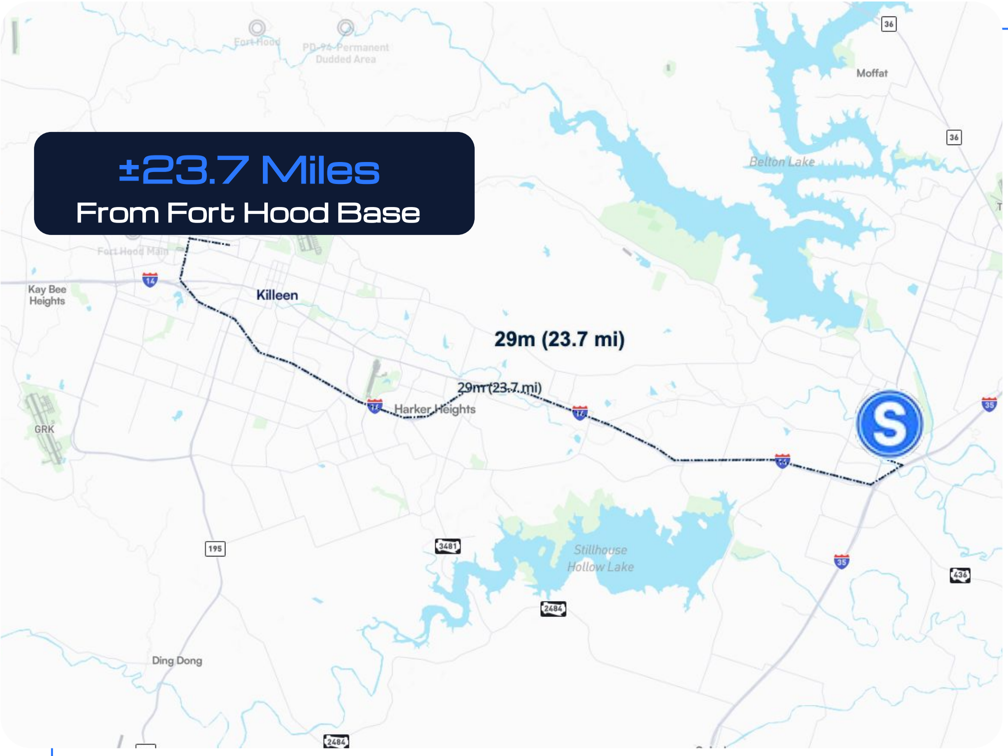
The base hosts 38,600+ soldiers and over 65,000 family members. It is the largest active-duty armored post in the U.S. Armed Forces, covering 340 square miles in Central Texas.

1,000+
ANNUAL TRANSFERS

38,600+
ACTIVE-DUTY SOLDIERS

$128B+
ECONOMIC IMPACT

70%
HOUSING DEMAND



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255 E 5th Ave | Belton, TX 76513

This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at **255 E 5th Ave | Belton, TX 76513** ("Property"). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews™. The material and information in the Offering Memorandum is unverified. Matthews™. has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Neither owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

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3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner.

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If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Owner or Matthews™. or any of their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date of this Offering Memorandum.

TREC
TEXAS REAL ESTATE COMMISSION

11-2-2015

EQUAL HOUSING OPPORTUNITY

Information About Brokerage Services

Texas law requires all real estate license holders to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

TYPES OF REAL ESTATE LICENSE HOLDERS:
- **A BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- **A SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):
- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of *each party* to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:
- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
  - that the owner will accept a price less than the written asking price;
  - that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
  - any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:
- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

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Sales Agent/Associate's Name	License No.	Email	Phone

Buyer/Tenant/Seller/Landlord Initials   Date