

South Station Apartments

E STAN SCHLUETER LOOP & CUNNINGHAM ROAD

KILLEEN, TEXAS



770 3rd Ave. SW, Carmel, IN 46032

Jean Marie Latsha
Land Acquisition Manager

The Pedcor Companies Background

- ❑ Pedcor Investments formed in 1987
- ❑ Based in Carmel, Indiana with office opened in Austin, Texas last year
- ❑ Primary business is the development of multifamily rental housing
- ❑ 16,808 units throughout 17 states – 13,512 financed with federal tax credits.
- ❑ Other primary businesses include banking and downtown redevelopment

Live Oak Apartments, Georgetown, 108 units

Tuckaway Apts, Cedar Park, 256 units

Parmer Heights, Austin, 252 units

West Gate Ridge, Austin, 140 units

William Cannon Apartments, Austin, 252 units

Fairway Landings at Plum Creek, Kyle, 216 units

What makes Pedcor Companies Different from other Apartment Developers?

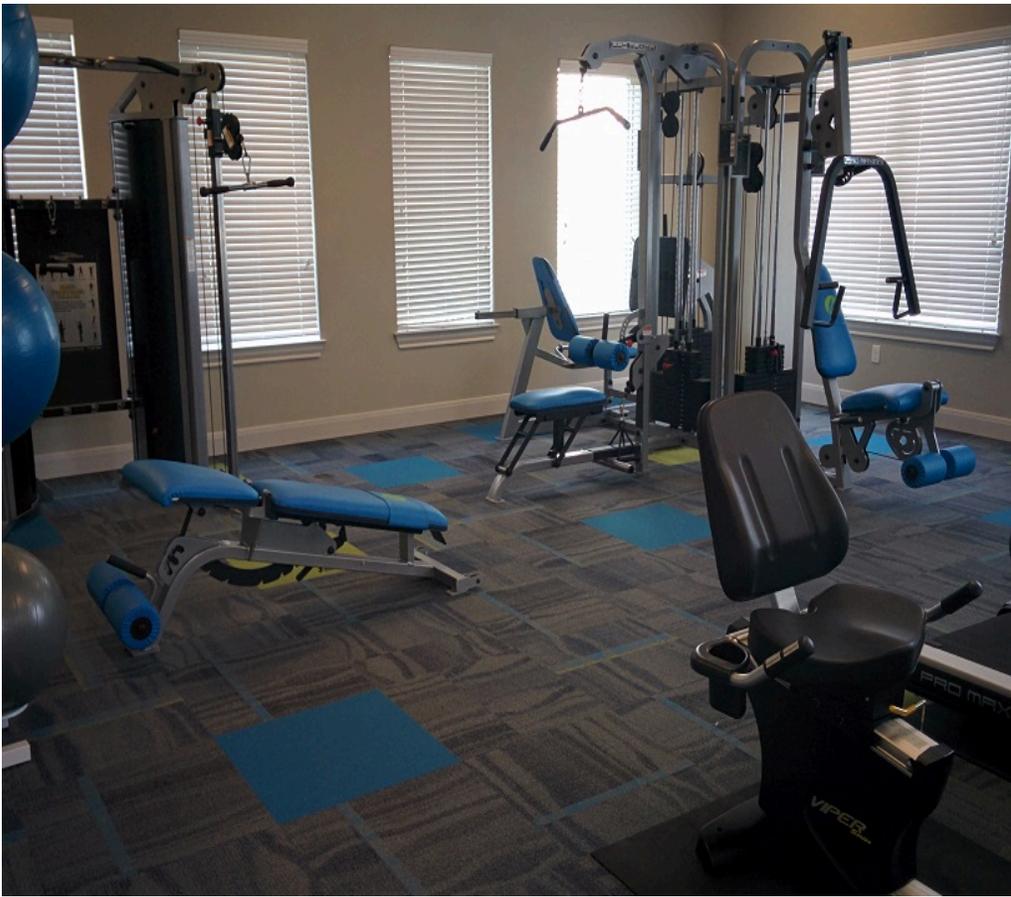
- ❑ Acquire, entitle and develop each property
- ❑ In-house General Contractor (Signature Construction)
- ❑ In-house Management Companies (Pedcor Management Corp. and Pedcor Homes Corporation)
 - ❑ Responsible for over 15,000 units that collect over \$140 million in gross annual rents.
 - ❑ Current occupancy of 94%+
 - ❑ Over 650 employees – marketing, administration and maintenance
- ❑ Although have in-house expertise, hire local professionals, subcontractors, and property management staff

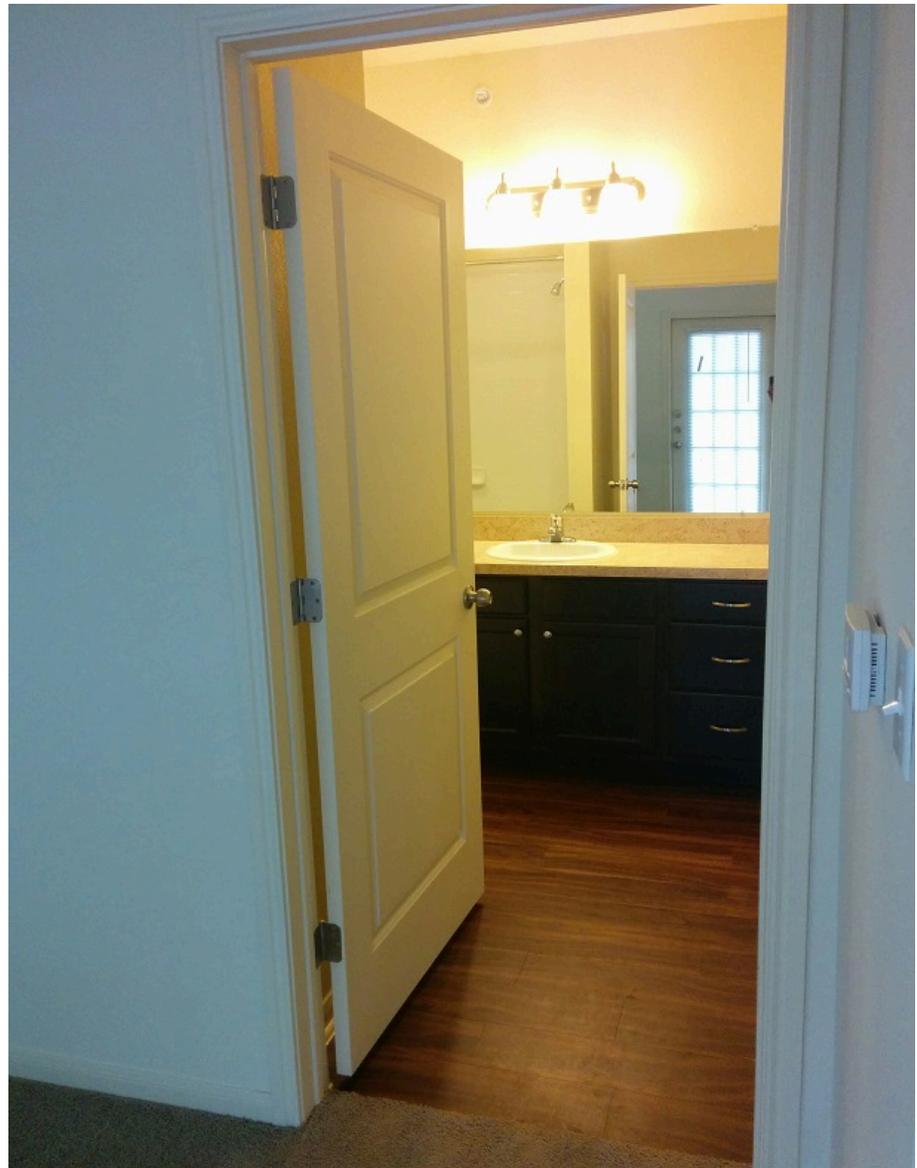
Pedcor Management Policies and Practices

- Criminal Background Check
- Sex Offenders Check
- No-Drug Policy
- All done at initial leasing and again at renewal
- This rigorous screening does not occur with all apartment communities or single-family housing.
- House rules – 3 strikes and you're out (noise complaints, police calls, health code violations, etc.)
- Apartments inspected every 3 months











Financing - What are Tax Credit Communities?

- ❑ Federal Credit managed at the state level – Texas Department of Housing and Community Affairs (TDHCA)
- ❑ Public/private partnership that has produced more housing units than any other program in the history of the United States
- ❑ Two types of Tax Credits available
 - ❑ 9% tax credit - competitive, deeper rent targeting (30 – 60% of the Area Median Income (AMI)), requires substantial local government funding and support
 - ❑ 4% tax credit/tax exempt bonds – non-competitive, targets rents at 60% AMI only (moderate incomes), no local funding required
- ❑ Our project would be partially funded by the equity received through the sale of 4% tax credits. The majority of the financing would come through a HUD 221d4 loan.

What this development is NOT

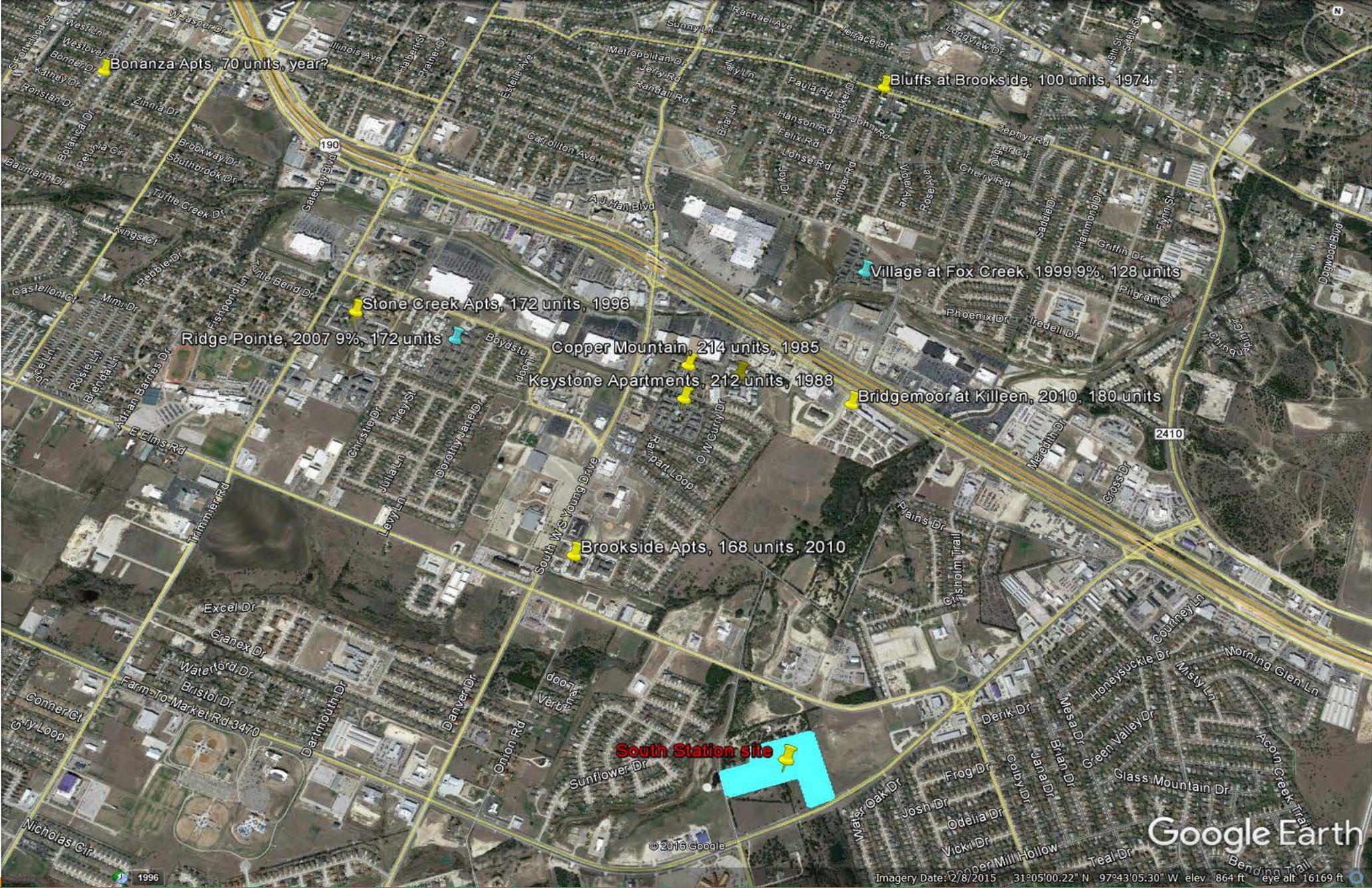
- ❑ It is NOT public housing (sometimes called “Section 8”)
- ❑ It does NOT provide rent subsidy – tenants have to pay their rent. Those rents are just more affordable than rents at other apartment communities.
- ❑ It is NOT owned or operated by the Housing Authority (like the RAD development)

ACTUAL Data from Pedcor's existing Portfolio

- ❑ Over 29,900 people
- ❑ 15% of adults are Seniors (60+)
- ❑ 40% of all units are occupied by one single person
- ❑ 13% of all units have 2 or more adults and have children
- ❑ 22% of all units have 1 adult and have children

Here are just a few examples of our development's locations and what's being said locally about them.

- Kearney Nebraska (small town); ***"The 80 Unit Complex is a quality product and a welcome addition to the multifamily choices in our community."***
- Noblesville, IN (suburban Indianapolis- 2 Pedcor developments); ***"It has been a pleasure working with Pedcor Investments over the last seventeen years...."***
- LaVista, NE (suburban Omaha); ***"Pedcor delivered on all commitments they made regarding the quality of the project."***
- Lincoln, NE (mid size metro-major university-state capital); ***"In what seems like a relatively short amount of time PEDCOR has established themselves a valuable asset to our development community."***
- Seymour, IN (small town); ***"Pedcor Investments has been part of our community for the last 18 years. They provide decent, well maintained quality housing...."***
- Greensburg, IN (Indianapolis MSA); ***"Pedcor Investments has been apart of our community for the past 18 years. Pedcor has been sensitive and responsive to the Community and Neighborhood needs throughout our association..."***
- Lincoln, IL (small town); ***"Pedcor Investments has been a part of our community for the last 8 years. We appreciate Pedcor's contributions to our community..... I would not hesitate to recommend them to other municipalities."***
- Indianapolis, IN (large metro); ***"While the project has been open for nearly two years, the property continues to be very-well maintained.....this development has not resulted in any additional crime in the area"***



Bonanza Apts, 70 units, year?

Bluffs at Brookside, 100 units, 1974

Ridge Pointe, 2007 9%, 172 units

Stone Creek Apts, 172 units, 1996

Copper Mountain, 214 units, 1985

Keystone Apartments, 212 units, 1988

Bridgemoor at Killen, 2010, 180 units

Brookside Apts, 168 units, 2010

South Station site

Google Earth

1996

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Imagery Date: 2/8/2015 31°05'00.22" N 97°43'05.30" W elev 864 ft eye alt 16169 ft

Questions on South Station Apartments?
