TIDES ON HULEN

Value-Add Multifamily Investment Opportunity

Presented by WORTH COMMERCIAL REAL ESTATE

17.71% IRR
2.08x Equity Multiple
8.96% Annual Cash on Cash Return

Investment Overview

Worth Commercial is acquiring a 336-unit, 1985-built multifamily community in Fort Worth, Texas. The property is being purchased at a substantial discount to current debt balances, creating a rare opportunity to capture immediate value in a high-demand submarket. **The current debt is roughly $140K/unit and Worth has been awarded the asset at $83K/unit.** Worth's projected sale price in year five is $120K/unit.

Currently, 209 units remain unrenovated, representing significant upside through a targeted value-add renovation program. Renovated units at the property are already achieving rental premiums of approximately $200 per unit above in-place rents, validating both the market demand and the renovation scope. Worth Commercial is conservatively projecting $150 rent increases in our Proforma.

The asset presents meaningful management and operational upside. Current operations exhibit inefficiencies in payroll and other controllable operating expenses, which will be addressed through tighter expense controls and proven professional management oversight by Iron Ridge Capital.

The investment thesis centers on acquiring below replacement cost, capitalizing on proven rent premiums, and repositioning the community through a phased renovation strategy. With its scale, prime location near South Hulen's retail and employment corridors, and strong Fort Worth market, this acquisition offers an attractive opportunity for durable cash flow and compelling risk-adjusted returns.

Property Details

Building Type: Two and Three-story Multifamily

Square Feet: 225,200

Year Built: 1985

Exterior: Brick Masonry wtih Hardie Plank Siding

Roof: Pitched

Wiring and Plumbing: Copper

Boilers: Three Central Boilers Recently Replaced

Washer & Dryers: Full Washer/Dryer Connection in all Units

Investor Summary

- **Purchase Price - $28,000,000**
  Equity - $10,959,000
  - Cash-on-Cash Return on Equity – 8.96%
  - Equity Multiple – 2.08x
  - IRR – 17.71%
  - Hold Time – 5 Years
  - Guarantor Fee – 0.4%
  - Budget for CapEx – $2,412,000
  - Cash On Hand – $168,000
  - Acquisition Fee – 1.5% of Purchase Price
- **Preferred Return – 8%**
- **WCRE Asset Management – 1% of Equity**
- **Split** after asset management and preferred return are paid and LP Equity is returned – 80% investor, 20% WCRE
- **Equity Commitment Date - April 2, 2026**
- **Equity Funding Date - April 17, 2026**

Investment Assumptions

- **LTV** – 74%
- **Amortization** – 30 Years
- **Interest Rate** – 4.95%
  Interest Only for three years
- **Rent Escalation** – 3% Annually(1% Year 1)
- **Cost Escalation** – 2% Annually
- **Buying Cap** – 7.00%
- **Exit Cap Rate** – 6.00%
- **CapEx** will include $2,412,000 of property improvements:
  - Interior Upgrades – Quartz Countertops, Vinyl Plank Faux Wood Flooring, and Shaker Cabinet Fronts
  - Exterior Upgrades – Parking Lot Improvements, Carpentry and Paint, and Landscaping

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Sources & Uses

Source Of Funds	Amount	Use Of Funds	Amount
Senior Debt	$20,720,000	Purchase Price	$28,000,000
LP Equity	$10,959,000	CapEx	$2,412,000
		Acquisition Fee (1.5%)	$420,000
		Cash On Hand	$168,000
		Closing/Loan Cost	$679,000
Total Sources	$31,679,000	**Total Uses**	$31,679,000

Sensitivity Analysis

Scenario	Exit Cap	Delta	Projected IRR	Equity Multiple
Upside 1	5.75%	-25bps	19.17%	2.20x
Upside 2	5.85%	-15bps	18.58%	2.15x
Target Case	6.00%	-	17.71%	2.08x
Downside 1	6.15%	+15bps	16.85%	2.01x
Downside 2	6.25%	+25bps	16.29%	1.96x

Five-Year Cash Flow

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		1	2	3	4	5
Total Rental Income		$ 4,474,341	$ 4,861,188	$ 5,007,024	$ 5,157,235	$ 5,311,952
Total Expenses		$ 2,550,437	$ 2,646,202	$ 2,725,588	$ 2,807,355	$ 2,891,576
Less Debt Service		$ 1,025,640	$ 1,025,640	$ 1,025,640	$ 1,327,166	$ 1,327,166
Cash Flow From Operations		$ 898,264	$ 1,189,347	$ 1,255,796	$ 1,022,714	$ 1,093,210
Less WCRE Management Fee		$ (109,594)	$ (109,594)	$ (109,594)	$ (109,594)	$ (109,594)
Cash Flow to Distribute		$ 788,670	$ 1,079,753	$ 1,146,202	$ 913,120	$ 983,616
Annual Preferred Return Owed		$ (876,754)	$ (876,754)	$ (867,561)	$ (845,270)	$ (839,842)
Pay down of Accrued Preferred Return		$ -	$ 88,084	$ -	$ -	$ -
Less Investor Preferred Return/MGMT		$ (788,670)	$ (964,839)	$ (867,561)	$ (845,270)	$ (839,842)
Remaining Cash After MGMT/Pref		$ -	$ 114,914	$ 278,641	$ 67,850	$ 143,774
Accrued Preferred Return		$ 88,084	$ -	$ -	$ -	$ -
Guarantor Portion of Excess Profits		$ -	$ -	$ -	$ -	$ -
WCRE Portion of Excess Profits		$ -	$ -	$ -	$ -	$ -
Investor Portion of Excess Profits		$ -	$ 114,914	$ 278,641	$ 67,850	$ 143,774
Remaining Investor Equity Balance		$ 10,959,426	$ 10,844,512	$ 10,565,871	$ 10,498,021	$ 10,354,247
Disposition of Asset						
Sales Price (assumes 6% cap)						$ 40,339,598
Loan Payoff						$ (20,087,457)
Accrued Preferred Return/MGMT Payoff						$ -
Accrued Preferred Equity						$ -
Selling Expense (1.75%)						$ (705,943)
Net Cash Flow from Sale						$ 19,546,198
Return of Equity						$ 10,354,247
Return of Cash on Hand						$ 168,000
Remaining Cash After Equity is Returned						$ 9,359,952
Guarantor Distribution from Sale						$ -
WCRE Distribution from Sale						$ 1,871,990
Investor Distribution from Sale						$ 7,487,961
Total Return From Operations						
Total Guarantor Payout		$ -	$ -	$ -	$ -	$ -
Total WCRE Payout with Commissions		$ 529,594	$ 109,594	$ 109,594	$ 109,594	$ 2,384,981
Total Investor Payout		$ 788,670	$ 1,079,753	$ 1,146,202	$ 913,120	$ 8,471,577
Equity Requirement - Investor	$ 10,959,426					
Investor	$ (10,959,426)	$ 788,670	$ 1,079,753	$ 1,146,202	$ 913,120	$ 18,825,824
Equity Multiple	2.08x					
IRR	17.71%					
Cash on Cash return		7.20%	9.85%	10.46%	8.33%	171.78%

Property Photos

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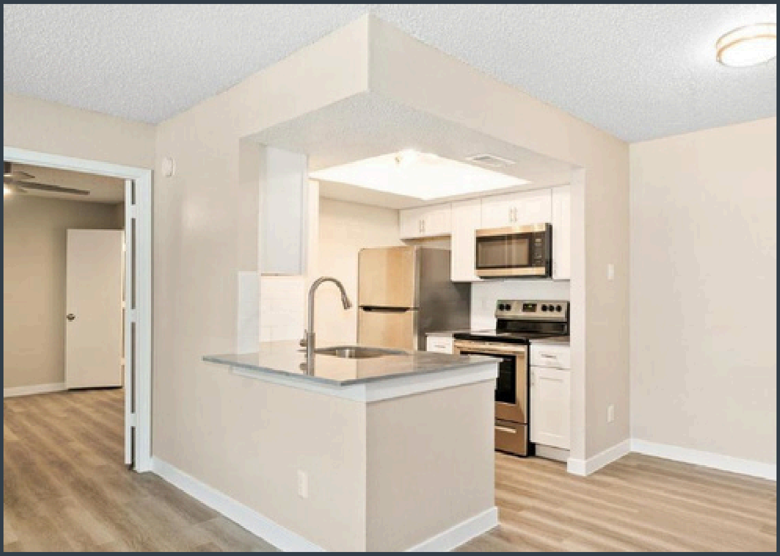

6351 Hulen Bend Blvd. | Fort Worth, TX 76132

Area Map

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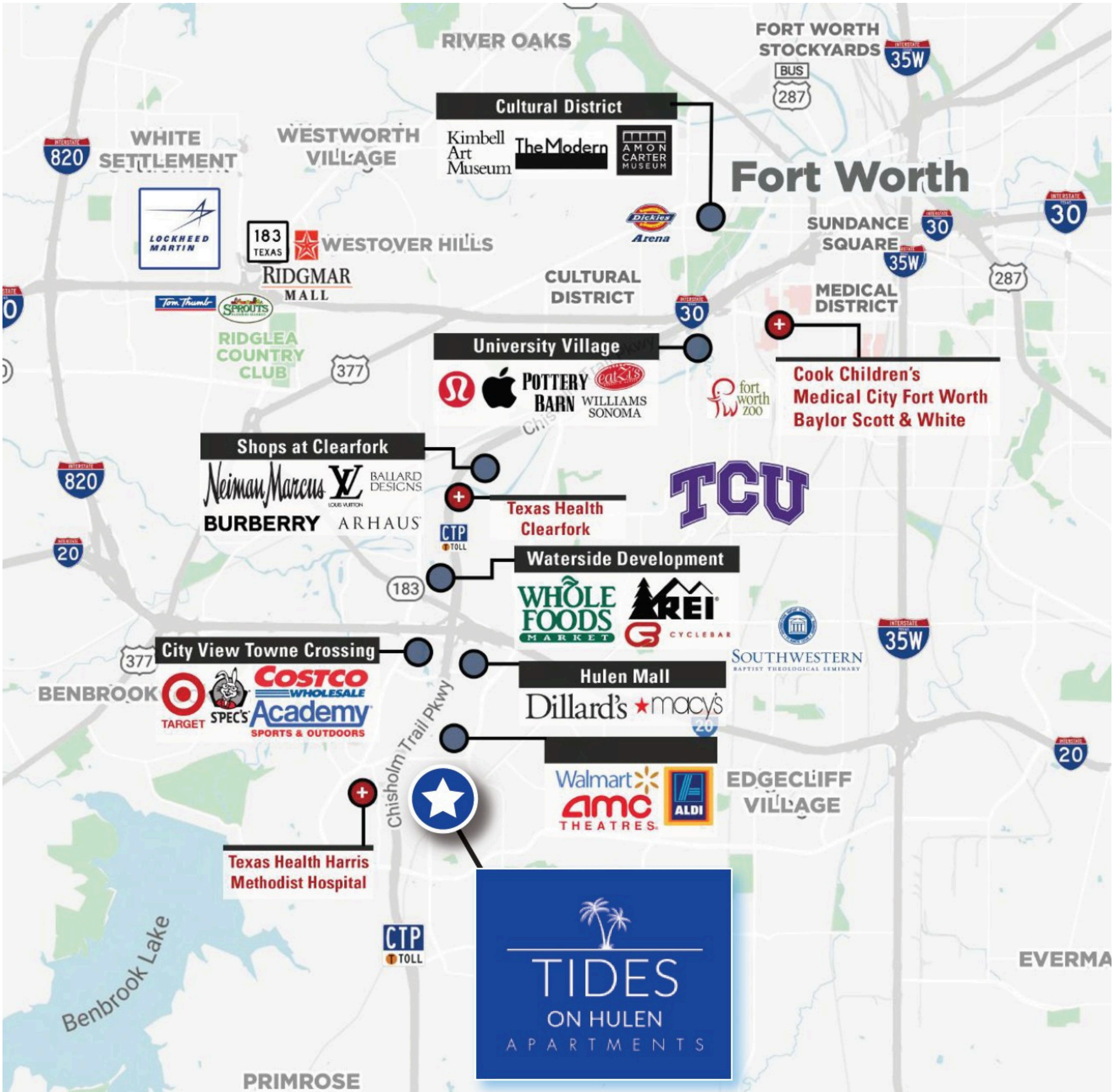

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