

BRENNAN HILLS TOWNHOMES

4508 East Brennan Drive · Sioux Falls, South Dakota



Bender
COMMERCIAL

EXCLUSIVE OFFERING MEMORANDUM

\$5,600,000

\$90,322/UNIT



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INVESTMENT HIGHLIGHTS

Price	\$5,600,000
Number of Units	62
Price per Unit	\$90,322
Year Built	2002
Lot Size	4.73 acres

32 2 bed, 1 bath units	30 3 bed, 1.5 bath units
• 884 SF	• 1,028 SF
• \$873 / mo	• \$1,054 / mo

PROPERTY DETAILS:

- 8% rent increase approved in 2025. Seller anticipates 5% rental increase approval for 2026.
- Low Historic Vacancy – 2025 YTD: 1.27%, 2024: 2.23%, 2023: 2.10%, 2022: 2.05%
- Units amenities include microwave, oven, central AC, playground, dishwasher, washer/dryer, picnic area, and storage spaces.
- No pets on property.
- Tenant pays heat, electric, and cable.
- Property is in the extended use period of the LIHTC program. See Page 12 for details.

Contact Broker for Financials, Rent Roll, and Showing Access.
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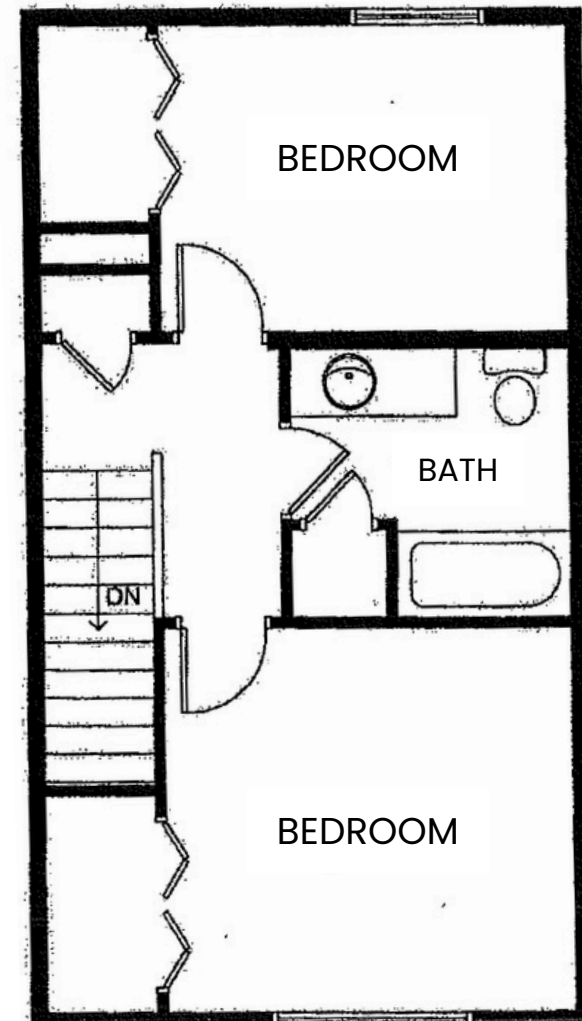
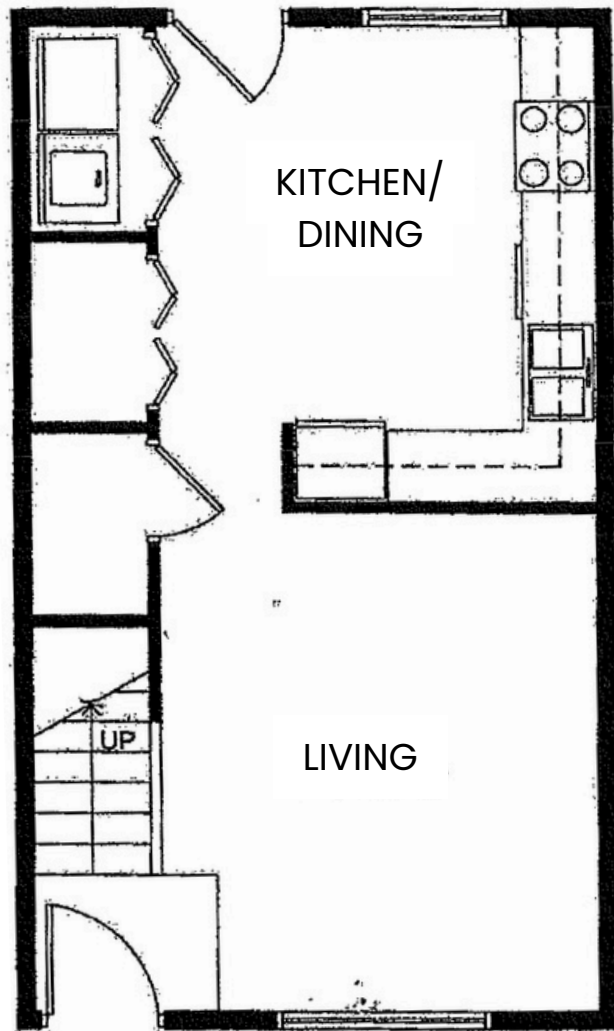
PROPERTY OVERVIEW



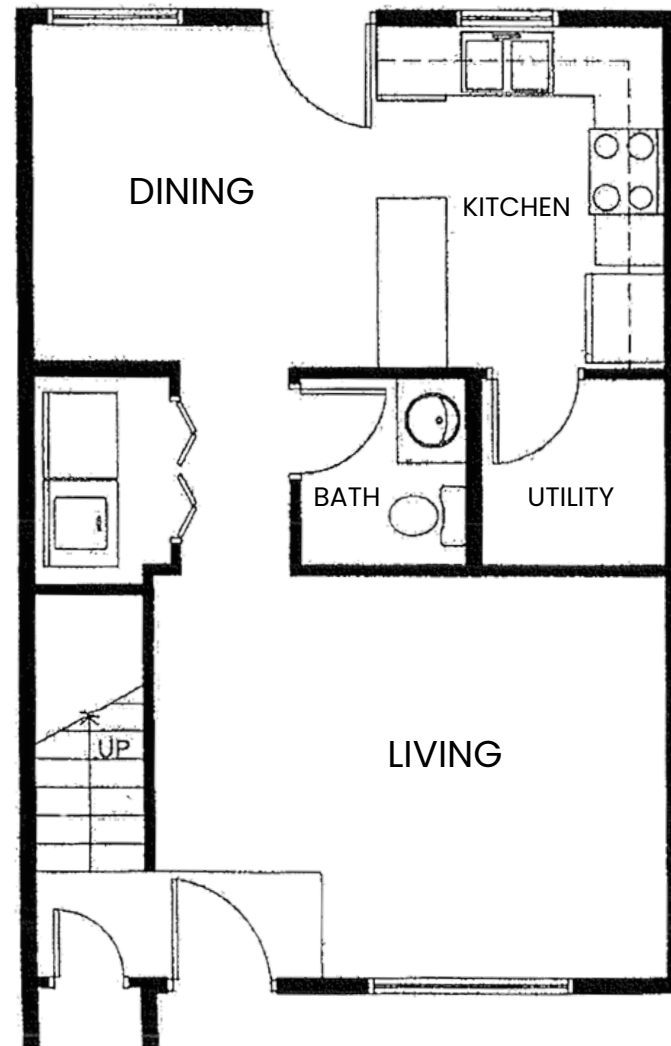
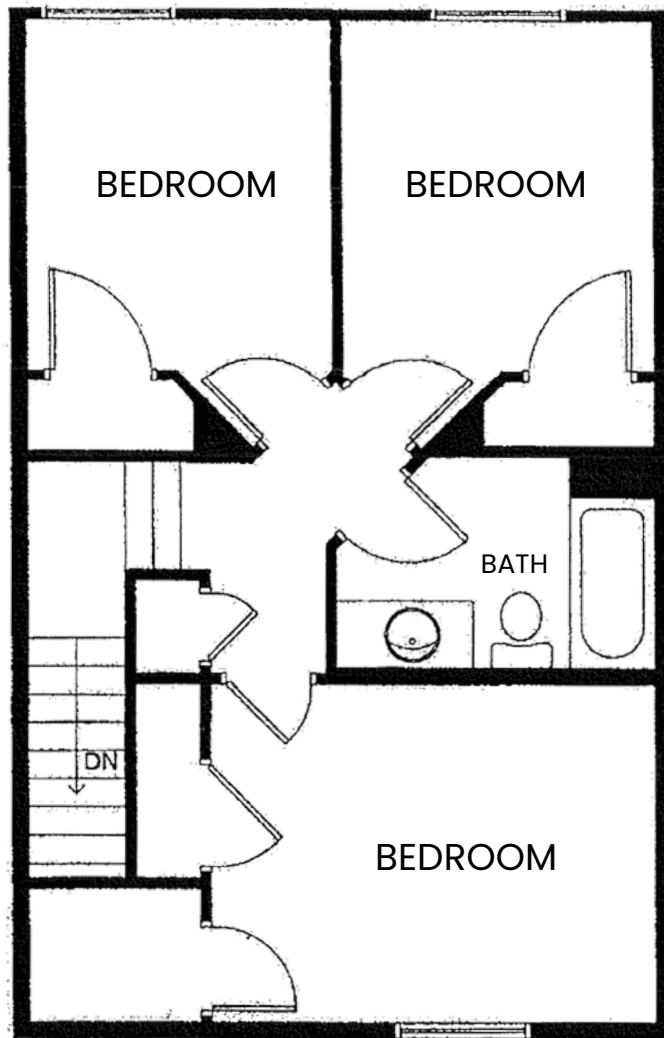
PROPERTY OVERVIEW



2 BEDROOM FLOORPLAN



3 BEDROOM FLOORPLAN



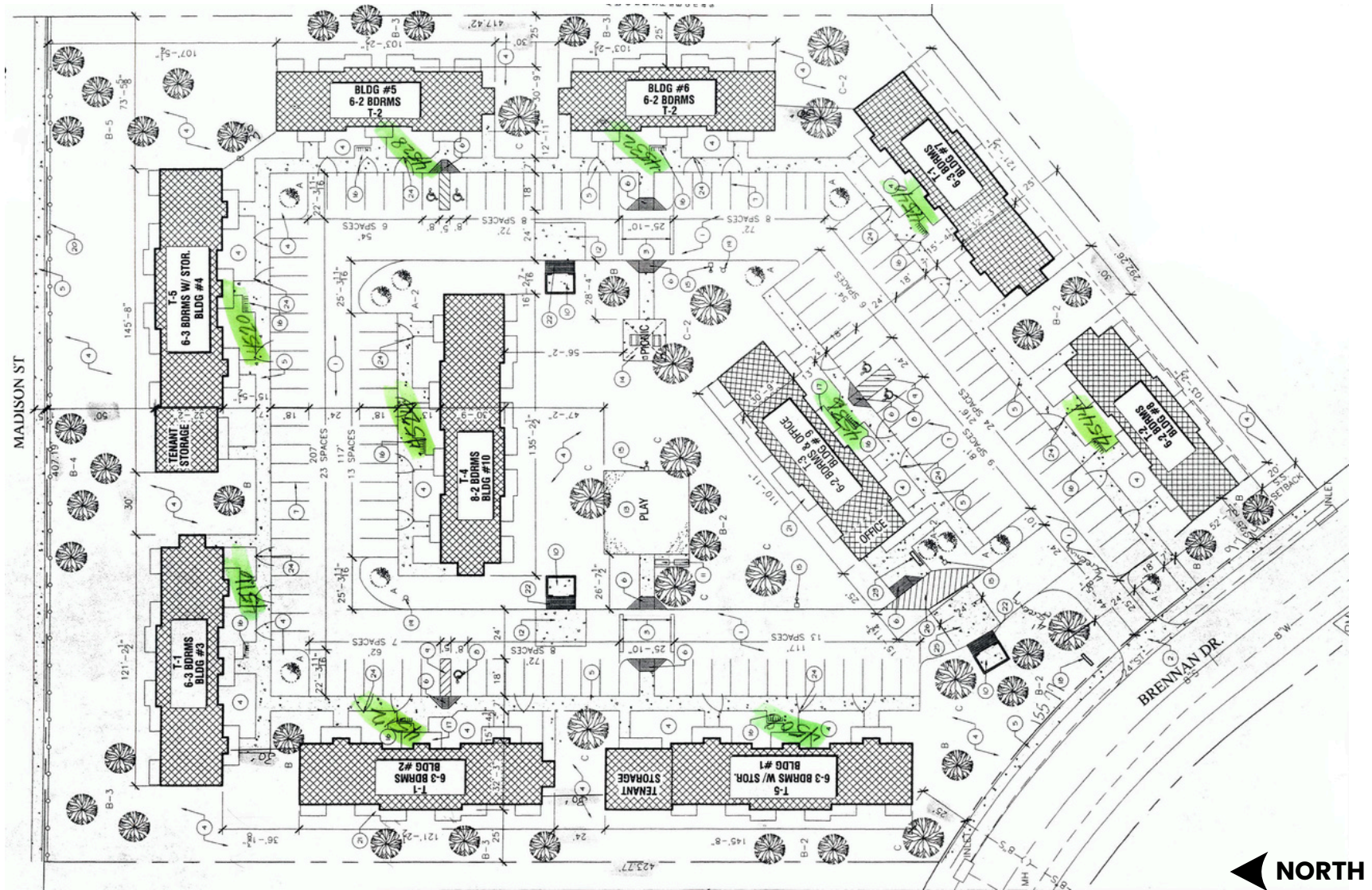
PROPERTY INTERIOR



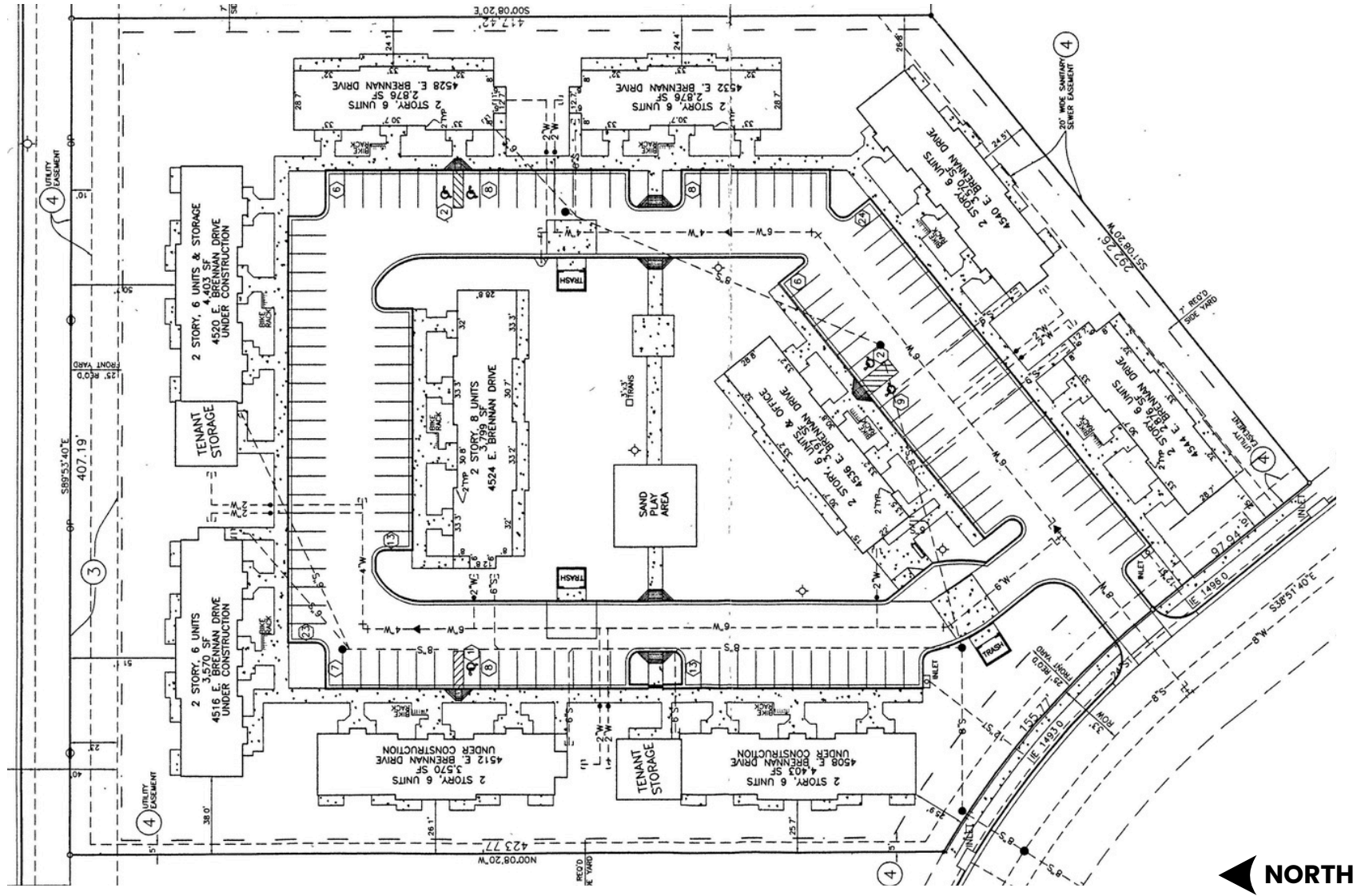
PROPERTY INTERIOR



SITE PLAN



IMPROVEMENT SURVEY





SECTION 42 TAX CREDIT INFORMATION

TAX CREDIT LURA

- 62 Units
- Signed April 10, 2002
- 15 year tax credit compliance period
- Extended use period expires 2032

Owner elected to set aside 62 units at 60% Area Median Income (AMI).

Further restricted as follows:

- 19 2BR units are restricted to tenants of 60% AMI or less. Rents are limited to 79% of the 60% AMI HTC maximum for 2BR units.
- 13 2BR units are restricted to tenants of 60% AMI or less. Rents are limited to lessor of 92% Fair Market Rents (FMR) or 79% of the 60% AMI HTC rent maximum for 2BR units.
- 17 3BR units are restricted to tenants of 60% AMI or less. Rents are limited to 86% of the 60% AMI Rent Maximum for 3BR units.
- 12 3BR units are restricted to tenants of 60% AMI or less. Rents are limited to the lessor of 92% FMR or 86% of the 60% AMI HTC rent maximum for 3BR units.
- The original manager's unit was converted to a unit at 60% AMI.

Annually funding reserve account.

SECTION 42 TAX CREDIT INFORMATION

CURRENT INCOME PERCENTAGES

HOUSEHOLD SIZE	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON
30% AMI	\$23,600	\$26,950	\$30,300	\$33,650	\$36,350	\$39,050
40% AMI	\$31,400	\$35,900	\$40,400	\$44,900	\$48,500	\$52,050
50% AMI	\$39,300	\$44,900	\$50,500	\$56,100	\$60,600	\$65,100
60% AMI	\$47,160	\$53,880	\$60,600	\$67,320	\$72,720	\$78,120
80% AMI	\$62,850	\$71,800	\$80,800	\$89,750	\$96,950	\$104,150

**Income guidelines are a percentage of median family income (MFI). Effective 6/01/2025 by the US Department of HUD.*

SALE COMPARABLES

PROPERTY	LOCATION	SALE DATE	TYPE	BUILD DATE	SALE PRICE	UNITS	PRICE PER UNIT	CAP RATE	STABILIZED EXPENSE RATIO	OCCUPANCY
Williamsburg Townhomes	Sioux Falls, SD	Aug 2025	LIHTC	2004	\$8,809,000	110	\$80,081	6.19%	52.00%	99%
Brandon Heights	Bismark, ND	Jun 2023	LIHTC	2001	\$9,000,000	96	\$94,750	5.73%	49.69%	98%
Westwind Apartments	Saint Cloud, MN	Nov 2024	LIHTC	2003	\$5,476,00	60	\$91,267	6.55%	51.00%	100%
Whisper Ridge	Des Moines, IA	Jul 2025	LIHTC	2010	\$18,525,000	208	\$89,063	6.00%	54.00%	90%
Stoney Creek Townhomes	Sioux Falls, SD	Apr 2024	LIHTC	2002	\$7,400,000	96	\$77,083	6.75%	50.87%	97%
Park Winds	Des Moines, IA	Aug 2024	LIHTC	1994	\$7,450,000	96	\$77,604	6.75%	55.59%	100%
Westview Apartments	Forest Lake, MN	Nov 2024	LIHTC	2003	\$5,440,000	64	\$85,000	6.62%	49.40%	95%
Averages				2002	\$8,089,143	104	\$84,978	6.37%	51.79%	97%

LEASE COMPARABLES

TWO BEDROOM RENTS • SIOUX FALLS, SD

PROPERTY	ADDRESS	YEAR BUILT	INCOME RESTRICTED	SQUARE FOOTAGE	RENT
East Point Townhomes	4601 East 3rd Street	1994	Out of LIHTC Program	850	\$895
Williamsburg Townhomes	505 South Wheatland	2004 / 2007	Yes	1,144 -1,320	\$696-\$895
Brooks Townhomes	5029 East 54th Street	2009	Yes	999	\$688-\$904
Ellis Court Townhomes	8740 West 32nd Street	2010	Yes	925-1029	\$491-\$1,026
Stoney Creek Townhomes	7412 W Stoney Creek	2002	Yes	884	\$805-\$925

THREE BEDROOM RENTS • SIOUX FALLS, SD

PROPERTY	ADDRESS	YEAR BUILT	INCOME RESTRICTED	SQUARE FOOTAGE	RENT
East Point Townhomes	4601 East 3rd Street	1994	Out of LIHTC Program	1050	\$1,095
Williamsburg Townhomes	505 South Wheatland	2004 / 2007	Yes	993-999	\$795 - \$1,093
Brooks Townhomes	5029 East 54th Street	2009	Yes	1320	\$824-\$1,042
Ellis Court Townhomes	8740 West 32nd Street	2010	Yes	1097-1389	\$595-\$1,180

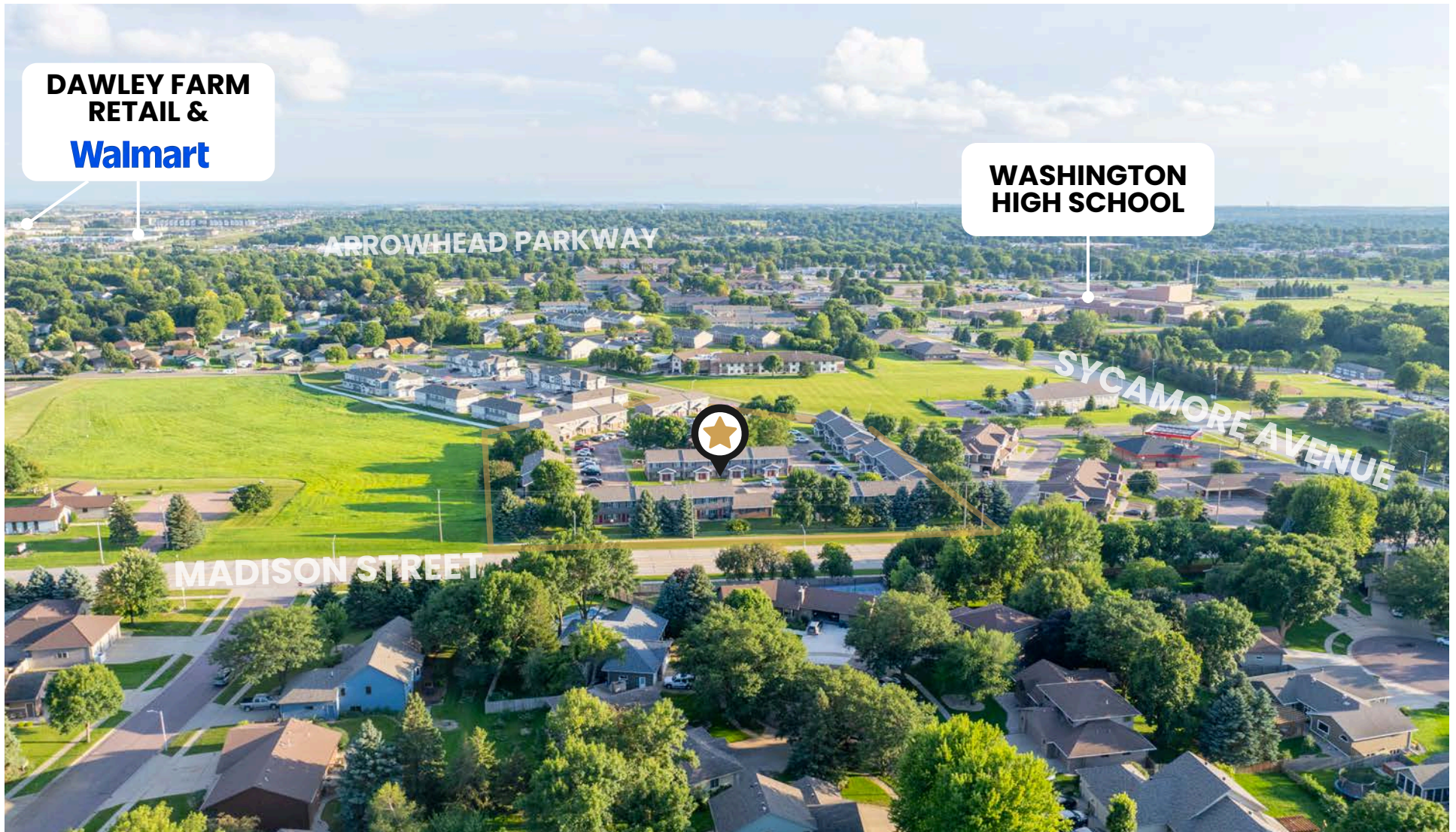
PROFORMA

Name	Brennan Hills Townhomes
Location	4508 East Brennan Drive
Property Type	Multi-Family
Date	September 10, 2025
Units	62
Price	\$ 5,600,000
-Loans	3,920,000
Down Payment	1,680,000
+Acq Costs	0
+Loan Points	0
Investment	1,680,000
Capitalization Rate	6.42%
Gross Income Multiplier	7.13
Cash on Cash	4.97%
Debt Coverage Ratio	1.303
Price/Unit	\$ 90,323

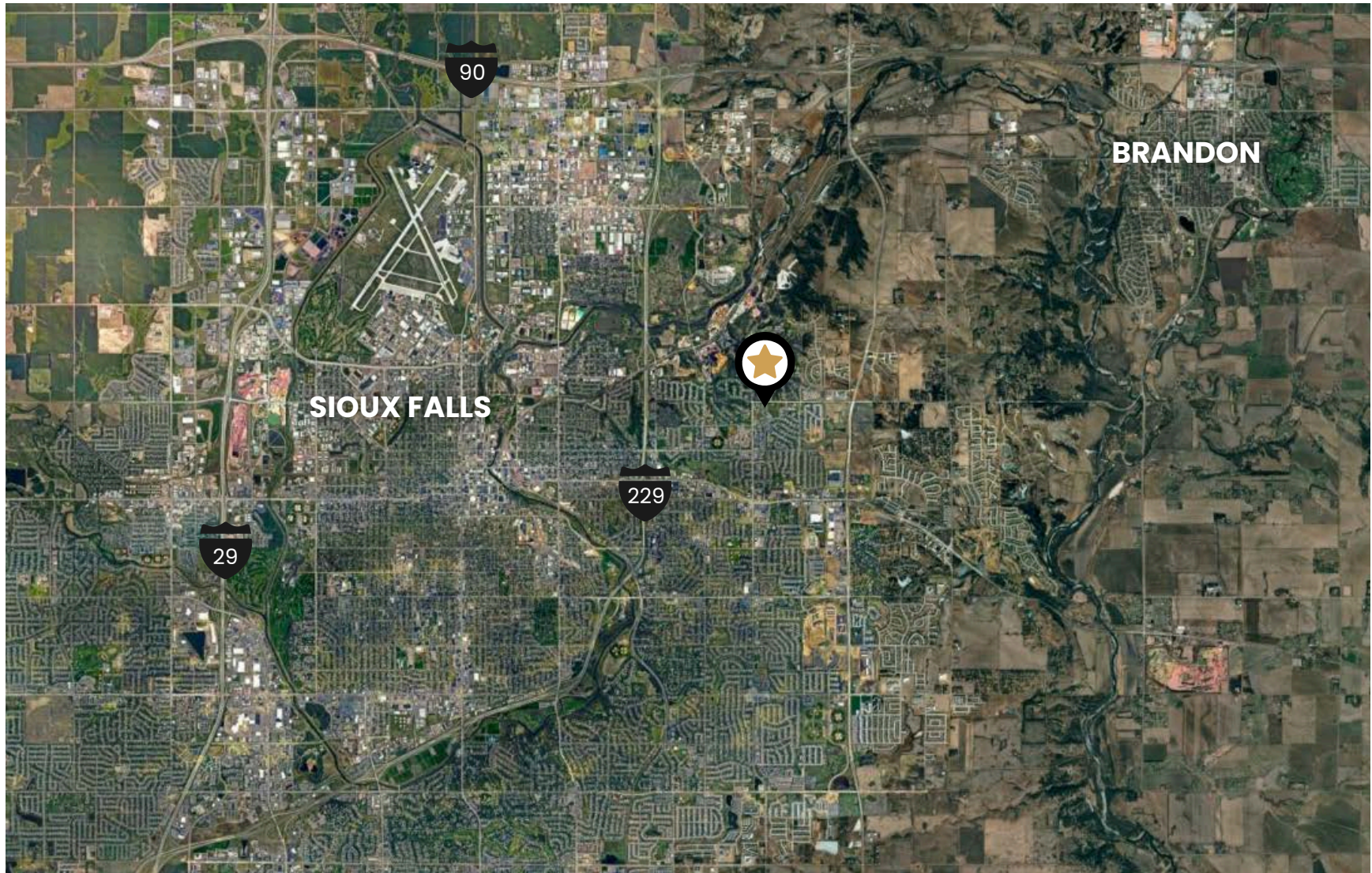
Contact Broker for Financials, Rent Roll, and Showing Access.

	\$/UNIT	% OF GI	ANNUAL \$
GROSS INCOME			
Tenant Rent		83.20%	\$ 654,217
Subsidy		15.60%	122,824
Late Charges		0.30%	2,310
Tenant Charges		0.70%	5,398
Other		0.00%	272
Credit Check Revenue		0.10%	900
TOTAL GROSS INCOME	\$ 12,676	100.00%	\$ 785,921
Vacancy & Credit Loss	254	2.00%	15,718
EFFECTIVE INCOME	\$ 12,423	98.00%	\$ 770,203
Less: Operating Expenses			
Management Fee	771	6.10%	47,809
Office Expense	65	0.50%	4,000
Manager Salary	724	5.70%	44,918
Compliance Fee	92	0.70%	5,691
Audit Expense	43	0.30%	2,655
Electricity	209	1.60%	12,936
Water	421	3.30%	26,130
Gas	16	0.10%	1,000
Sewer	478	3.80%	29,636
Apartment Cleaning	26	0.20%	1,600
Exterminating	82	0.60%	5,096
Garbage & Trash	345	2.70%	21,368
Security Contract	12	0.10%	755
Grounds Contract	237	1.90%	14,718
Repairs Payroll	420	3.30%	26,020
Repairs Material	197	1.60%	12,200
Repairs Contract	158	1.20%	9,809
Snow Removal	97	0.80%	6,000
Decorating Payroll	45	0.40%	2,800
Replacement Reserve	250	2.00%	15,500
Property Taxes	1,371	10.80%	85,000
Property Insurance	565	4.50%	35,000
Total Operating Expenses	\$ 6,623	52.20%	\$ 410,641
NET OPERATING INCOME	\$ 5,799	45.80%	\$ 359,562
Less: Debt Service			
Loan	4,452	35.10%	276,009
Total Debt Service	\$ 4,452	35.10%	\$ 276,009
NET OPERATING CASH FLOW	\$ 1,348	10.60%	\$ 83,553

PROPERTY LOCATION



PROPERTY LOCATION



1 MILE RADIUS DEMOGRAPHICS

KEY FACTS

9,580
Population



Average
Household Size

35.5

Median Age

\$85,302

Median Household
Income



170

Total Businesses



2,117

Total Employees

EMPLOYMENT



White Collar

47.3%



Blue Collar

35.0%



Services

17.7%



Unemployment
Rate

EDUCATION

12.7%

No High School
Diploma



24.1%
High School
Graduate



29.2%
Some College/
Associate's
Degree



34.1%
Bachelor's/Grad/
Prof Degree

INCOME



\$85,302
Median Household
Income



\$42,992
Per Capita Income



\$214,317
Median Net Worth

HOUSING STATS



\$359,081
Median Home
Value



\$13,433
Average Spent on
Mortgage & Basics



\$875
Median Contract
Rent

3 MILE RADIUS DEMOGRAPHICS

KEY FACTS

59,701
Population



Average
Household Size

36.5

Median Age

\$71,419

Median Household
Income



2,423

Total Businesses



39,154

Total Employees

EMPLOYMENT



White Collar

54.4%



Blue Collar

28.8%



Services

16.8%



1.7%

Unemployment
Rate

BUSINESS

INCOME



\$71,419
Median Household
Income



\$39,548
Per Capita Income



\$151,933
Median Net Worth

EDUCATION

HOUSING STATS

8.2%

No High School
Diploma



29.0%
High School
Graduate



30.1%
Some College/
Associate's
Degree



32.7%
Bachelor's/Grad/
Prof Degree



\$291,932
Median Home
Value



\$10,863
Average Spent on
Mortgage & Basics



\$841
Median Contract
Rent

5 MILE RADIUS DEMOGRAPHICS

KEY FACTS

130,126

Population



Average
Household Size

37.0

Median Age

\$75,835

Median Household
Income

BUSINESS



5,748

Total Businesses



89,303

Total Employees

EMPLOYMENT



White Collar

59.5%



Blue Collar

24.2%



Services

16.3%



1.7%

Unemployment
Rate

INCOME



\$75,835
Median Household
Income



\$43,808
Per Capita Income



\$171,721
Median Net Worth

EDUCATION



No High School
Diploma



24.5%
High School
Graduate



30.0%
Some College/
Associate's
Degree



39.9%
Bachelor's/Grad/
Prof Degree

HOUSING STATS



\$311,074
Median Home
Value



\$11,721
Average Spent on
Mortgage & Basics



\$849
Median Contract
Rent



For more information,
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