



LEVEL UP YOUR PROPERTY'S PERFORMANCE WITH MAA MULTIFAMILY ASSET MANAGEMENT.

Professional asset management by Multifamily Acquisition Advisors
may well have the highest Return on Investment of any value-add
initiative a multifamily investor can implement.

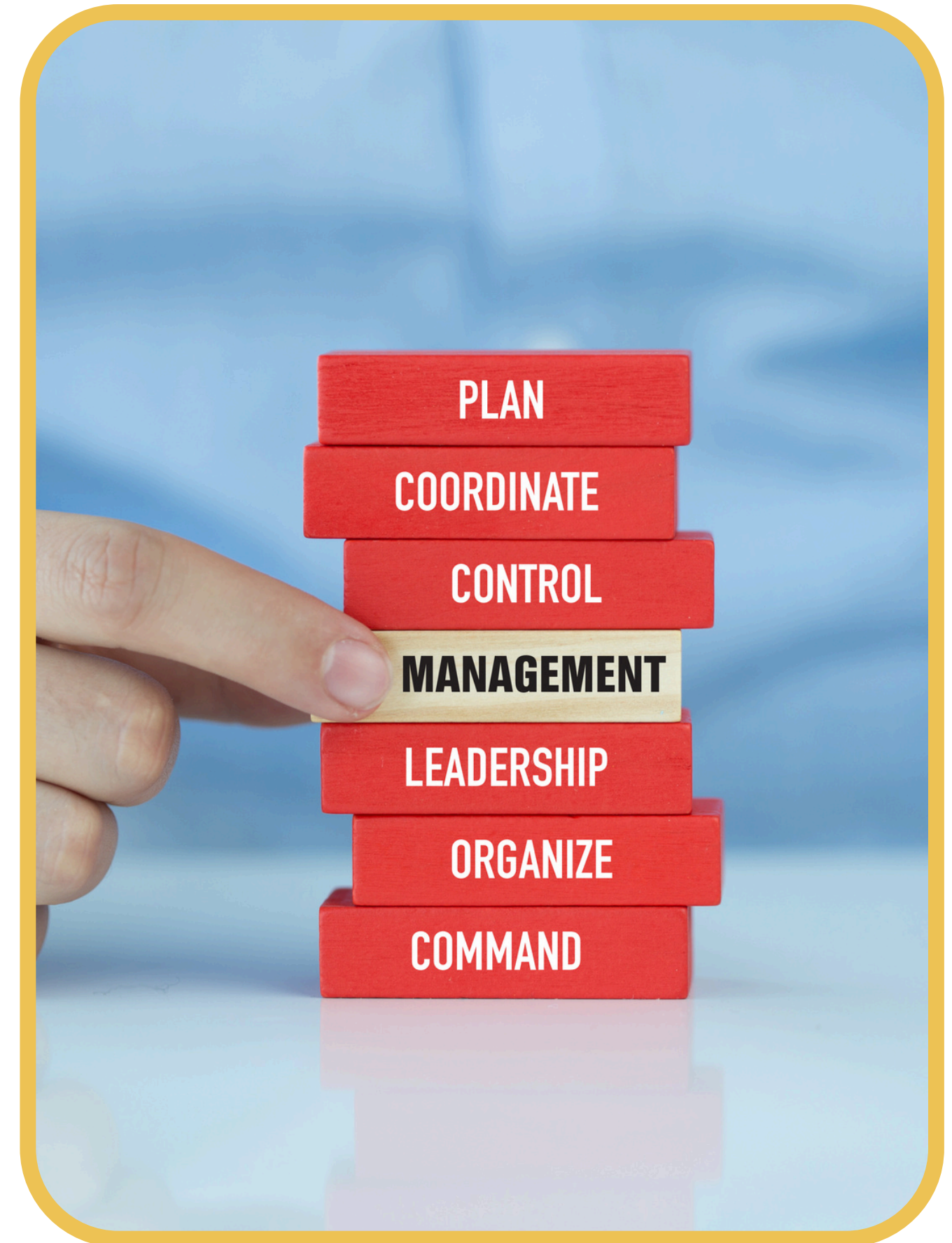
MULTIFAMILY ACQUISITION ADVISORS, LLC

ACQUIRE MORE. SPEND LESS.

- ASSET MANAGEMENT IS A **VITAL** AND OFTEN OVERLOOKED **LINK** BETWEEN MULTIFAMILY INVESTORS AND PROPERTY MANAGERS.
- THE JOB OF A PROPERTY MANAGER IS TO EXECUTE THE **MECHANICS** OF AN OPERATIONAL PLAN.
- THERE IS NO “**SET IT AND FORGET IT.**” WHEN YOU HIRE A PROPERTY MANAGER TO OPERATE YOUR MULTIFAMILY ASSET.



- ALTHOUGH THE PM PLAYS A CRUCIAL ROLE, THEIR JOB DOES **NOT** INCLUDE A *CONTINUOUS, UNBIASED AND RELENTLESS SEARCH FOR INCOME ENHANCEMENT, EXPENSE MINIMIZATION AND THE DELICATE DANCE OF BALANCING CAP EX DOLLARS WITH ASSET PRESERVATION.*
- THESE FUNCTIONS ARE PERFORMED BY “MANAGING THE MANAGER”. PROPERLY DONE, IT IS TIME-CONSUMING AND **ESSENTIAL** FOR ANY SUCCESSFUL FULL-CYCLE MULTIFAMILY INVESTMENT.



- MANY OWNERS HAVE NEITHER A DEDICATED ASSET MANAGER NOR THE TIME, RESOURCES, SCALE OR DESIRE TO CONTINUOUSLY MONITOR AND OPTIMIZE THE DAY-TO-DAY MANAGEMENT OF THEIR HOLDINGS AT A **GRANULAR** LEVEL.
- IT IS FOR THESE OWNERS, THAT WE CAN FILL THAT GAP IN THE OPERATIONAL STACK, PROVIDING **TREMENDOUS VALUE** RELATIVE TO COST.
- FOR A TINY PERCENTAGE OF GROSS INCOME, AN EFFECTIVE ASSET MANAGER CAN ADD MILLIONS TO THE BOTTOM LINE.



A Value-Add that Routinely Delivers 2X, 5X, 10X+ ROI

- MAA Asset Management has taken countless actions to add value on behalf of clients. The following five slides depict five real-life examples.
- In these examples, MAA “filled the gap” by recommending and/or implementing actions not considered by either the owner or property manager.
- In these examples, the savings, value or NOI increase was **a multiple of one year of AM fees** across five basic categories.
 - Selection and evaluation of the Property Manager
 - Minimizing variable expense
 - Controlling cap ex (while preserving the asset)
 - Strategy and risk mitigation
 - Innovative revenue enhancement



EVALUATING, SELECTING AND SUPERVISING THE DAY-TO-DAY MANAGEMENT

An Asset-Managed Property owned by an offshore investment group was utilizing a national “big-name”

Property Manager. With a critical eye, MAA Asset Management observed the processes, personnel and performance of this PM and determined that a change was necessary. MAA ultimately recommended a relatively obscure local firm that managed few assets but had done an exceptional job with those few properties. This out-of-the-box choice **helped triple Net Operating Income over the next three years.**



CONTROLLING EXPENSES: HIGHLY VARIABLE LINE ITEMS

An insurance renewal for an asset in Boston owned by a trust came in at more than double the previous rate. New quotes were solicited and were also a multiple of the previous rate. It was understood and claimed by all involved, that 100%+ increases were inevitable and simply a function of the existing chaotic market. Because of the depth and breadth of relationships that MAA enjoyed with insurance agents, plus a little old-fashioned elbow grease, a well-rated insurance company was found that would renew at a 50% increase with the same coverages.



The image shows a close-up of an expense report document. A silver pen is resting on the document. Above the table, there is a list of categories: 2. Dues, 3. Training, 4. Insurance, 5. Legal, 6. Marketing, and 7. Supplies. The table itself is titled 'EXPENSE REPORT' and has columns for 'SALES', 'ACCOUNTING', and 'FINANCE'. The table contains numerical data for each category across these columns.

	SALES	ACCOUNTING	FINANCE
2. Dues	161,891.69	67,741.77	84,677.21
3. Training	147,449.77	68,045.90	85,057.31
4. Insurance	166,428.29	69,624.82	87,031.11
5. Legal	168,747.22	68,476.51	85,511.11
6. Marketing	142,769.47	68,450.66	81,111.11
7. Supplies	148,861.71	69,017.85	81,111.11

CONTROLLING CAPITAL INVESTMENTS

A Class A luxury property owned by a family office experienced a failure of the cooling tower, an essential (and expensive) component of the HVAC system of a mid or high-rise building. The PM solicited bid after bid, each of which stated unequivocally that the unit would need to be replaced and could not be repaired.

Despite protestations that it was a waste of time, MAA worked tirelessly with the PM project management staff to reach out to a wider selection of well-rated vendors. Ultimately, one was identified who was able to locate the required, obscure part overseas and successfully repair the unit at 1/5th of the cost of replacement, saving the property owner \$200,000.



STRATEGIC OVERSIGHT AND RISK MITIGATION

In mid-2022, a portfolio acquired in 2020-2021 by an Ultra High Net Worth Investor was financed entirely by variable rate debt. The investor had no plans to sell the portfolio in the near term. But MAA recognized that a golden opportunity existed – a temporary disconnect in which market value was still robust and yet fixed-rate refinance quotes were inadequate to replace existing debt in a rising interest rate environment. This realization revealed three choices:

- 1) Eliminate substantial interest rate risk by refinancing to a fixed-rate loan and infuse tens of millions of dollars of “cash-in”.
- 2) Do nothing, re-up expiring rate caps at substantial cost and hope interest rates eased.
- 3) Sell at approximate break-even.

MAA pounded the table on #3 and the portfolio (along with the rate caps) was sold, saving the owner untold distress and financial losses.



INNOVATIVE REVENUE ENHANCEMENT

Because of a relationship with a large telecommunications company, MAA Asset Management was able to recommend and help implement a favorable value-add telecommunications initiative for several multifamily properties owned by a wealthy U.S. business-owner. This type of contract was not commonly utilized at the time and was unknown to the owner. Yet, it benefitted residents with lower internet and cable costs and generated to ownership hundreds of thousands of dollars upfront as well as incremental monthly net income.



WHY CHOOSE MAA?

- 8000+ UNITS EXPERIENCE working with banks, insurance companies, family offices and pension funds
- SUCCESSFUL INVESTMENT EXPERIENCE *OURSELVES*. Previous entity turned \$40m original equity into \$270m in 10 years. We know exactly what owners want because we are owners.
- Our founder wrote his MIT THESIS on how to more accurately add value to multifamily assets. *Leading-edge practice* on every line item.
- Even our VACATION HOMES are top 5-Star rentals on Airbnb. Operating real estate better than most is what we do.



WHO CAN BENEFIT?

- INDIVIDUAL/1031/UHNWI Owners
- OFFSHORE Owners
- REMOTE Owners desiring stronger presence in a specific market
- LENDERS/SERVICERS holding REO assets
- FAMILY OFFICES making direct investments
- ANY OWNER who desires another “set of eyes” on an under-performing property
- ANY OWNER with third-party management and no dedicated, daily internal oversight.

For a cost equal to a *rounding error* of Total Income, know your asset is being optimized every day.

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