



**Chasseur
Realty Investors, LLC**

Now 11 Properties in 4 States!!!

Courageous!!!

Named after the 1977 America's Cup winner, Ted Turner bought a competitor's former boat, and then beat his new one with his old one!!!

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A Year Like No Other!!

So what kind of year was it?? The year 2020 for most of us in the multifamily real estate investment industry was a real one of a kind, unlike any which I have seen before, nor hope to ever see again!! Not bad....just weird!! I am asked that question frequently as I travel through airports, stay at hotels, and eat out on the road. Surprisingly, the answer is complicated. I divide our business into four different categories.

Here at Chasseur, we first look at operations across properties within our portfolio. And last year the portfolio as a whole saw its NOI increase by 14.1%. I think that's pretty good! But I will tell you that we really had to keep the pedal to the medal to accomplish that! I was walking a property with a broker in Southern Alabama, and we were discussing NOI growth across the industry. His comment was that our NOI increase was the best that he had heard! He said to me, "I've heard of companies that are up a couple of points....but no one who is in the teens! I liked that.

In the world of dispositions, we were successful in selling Ashley Woods at a 25.04% IRR, and we sold Whispering Woods in Macon, GA at a 12.25% IRR. We also placed most of our Gulf Coast portfolio under contract. Our Pascagoula portfolio, consisting of Autumn Trace, Bandywood and Azalea Park should close before the end of March.

Most difficult for us however was the area of acquisitions. Early in the year we placed Canton Rd. Manor in Jackson, MS, under contract, but we refused to buy the property when we found that the property was under the threat of flooding from the Pearl River. We were outbid on Hampton House, also in Jackson, MS. Finally, by the fourth quarter of the year we began getting some traction, when we were named in the Best and Final group to acquire a larger community in Southern Alabama. We also offered on two communities in Valdosta, GA. But that doesn't begin to tell you how



many pro formas were run and site visits were made to unveil a small number of properties that a picky investor like Chasseur was interested in!

So the bottom line is that we fared pretty well in operations, but it was a real challenge to accomplish that. And we found the environment with lots of liquidity and an insufficient number of assets to have been frustrating. Let's hope that turning the page to 2021 will enable us to begin expanding the portfolio once again!

The fourth and final area that Chasseur is involved in is that of real estate consulting, and in that area we flourished. We've had the same consulting gig for the past seven years for a company out of New England. We've been able to advise them along the way to acquiring five new assets, and to assist them in building a deep equity pool. Consulting, in a year of adverse circumstances, was an area that did well.

So there you have it!! Let's turn the page and move on to a pandemic free year in which activity will be a bit more like normal! ♦

Melissa Daugherty Promoted to COO of Chasseur!

It brings Chasseur great pleasure to announce that Melissa Daugherty has been promoted to Chief Operating Officer of Chasseur Realty Investors!



Melissa's journey in the property management industry goes back a long way! She is a native of Pensacola, Florida, and is a graduate of the University of West Florida. Upon graduating, she worked in the banking field prior to joining a small real estate and law office. This led to eventually joining Sawyer Real and managing a 180 student community. However, the property was taken over by a company at which Bob Dominy was president, and from that time her career began to change. She ran multiple different portfolios for that organization, and when Chasseur was created in 2014 she was not long in coming aboard! Melissa is an expert in solving marketing problems and in handling financial matters. Chasseur is a much stronger team with Melissa at its COO! ♦

Changes in Latitude.....!!!



In 2020, those of us here at Chasseur witnessed a market in which there was a dearth of assets available on the market. And many of those which we were presented with had issues. Most of those issues involved extremely bad debt which had to be assumed. Others had physical problems, such as underground boiler and HVAC systems which were expensive to maintain, and also introduced more risk into the due diligence process. Chasseur will not be compromised. We did not bite on anything in 2020!

But with the dawning of 2021, we

sense that there is the turning of the page....a new chapter in investing, and we are quite optimistic that this year will be more fruitful with regards to desirable assets. In most years, Sellers hold back assets until the annual NMHC which occurs the third week in January, alternating each year between Orlando and San Diego. However, in 2021, that has not been the case. The NMHC convention has been postponed until the month of June, and we hardly think that Sellers are going to wait. We therefore have every expectation that our in boxes will be filling up weekly with new opportunities.

Chasseur plans to make a slight shift in our investment strategy in the upcoming year. This involves more of a change in longitude rather than a change in latitude. Previously we planned to invest in only three markets, those being Little Rock, Memphis and Jackson, MS. However, with the dearth of opportunities available, we know we need to adjust our strategy geographically. So we plan to shift a bit south and a bit further to the east. Still in play will be Jackson, MS, Birmingham, Mobile, the southern half of Georgia, and the northern half of Florida. Given what we are presently seeing out there, we view Georgia as the land of milk and honey.

Currently, we are in the best and final round of a 160 unit property in Dothan, AL. Dothan is considered the #2 medical complex in Alabama. We also are extremely close to making a deal for two communities in Meriden, MS and in Birmingham, AL. It's a 244 unit package, and we will have to assume a loan which we dislike. However, with an 8% preferred return which only grows over time, and a 16% IRR, what's not to like??

We also have several assets in Florida under consideration. Those include a 131 community in Kissimmee, just outside Orlando. We are also looking at two communities in Valdosta, a city that we have become increasingly bullish on. It also includes a 168 unit townhome community in Tampa, which is just about at the top of our list. And it also includes a 104 unit community in Largo, FL, adjacent to St. Petersburg. You will also note that we are not considering any communities larger than 175 units, and there is a method to our madness there. By staying below a higher unit count and a higher dollar value, we're able to avoid the kind of competition which drives up price and down returns!!

We expect to be in touch with more news soon!! ♦

At Chasseur, we consistently outperform!

Historical Same Store NOI Increases		
Year	Increase	Comments
1995	15.5%	10,000 unit Mid-Atlantic Portfolio, Winthrop
1996	10.6%	4,500 unit East Coast Portfolio, GDC
1997	14.1%	4,500 unit East Coast Portfolio, GDC
1998	NA	Split Year, two different companies
1999	25.4%	3,300 East Coast Portfolio, PRG Real Estate
2000	4.2%	4,000 East Coast U.S. Portfolio, PRG, Real Estate
2001	4.6%	5,000 Eastern U.S. Portfolio, PRG Real Estate
2002	7.4%	6,000 Eastern U.S. Portfolio, PRG Real Estate
2003	4.4%	7,000 Eastern U.S. Portfolio, PRG Real Estate
2004	3.5%	8,000 Eastern U.S. Portfolio, PRG Real Estate
2005	7.8%	9,000 Eastern U.S. Portfolio, PRG Real Estate
2006	4.4%	10,000 unit Eastern U.S. Portfolio, PRG Real Estate
2007	6.3%	11,000 unit Eastern U.S. Portfolio, PRG Real Estate
2008	-2.4%	12,300 unit Eastern U.S. Portfolio, PRG Real Estate
2009	NA	Split Year, two different companies
2010	10.6%	Privately Held Eastern U.S. Portfolio
2011	10.5%	Privately Held Eastern U.S. Portfolio
2012	11.3%	Privately Held Eastern U.S. Portfolio
2014	17.6%	Southeastern portfolio in AL and GA
2015	11.2%	Southeastern portfolio in AL and GA
2016	2.2%	Southeastern portfolio in AL and GA
2017	18.7%	Chasseur Realty Investors, LLC
2018	8.3%	Chasseur Realty Investors, LLC
2019	4.6%	Chasseur Realty Investors, LLC
2020	14.1%	Chasseur Realty Investors, LLC
Avg.	9.3%	

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Next Issue:
The dam on acquisitions has finally broken!



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