



**INVESTING WITH
HARRIS HOMES MN**

WWW.HARRISHOMESMN.COM



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OUR MISSION

Harris Homes MN is dedicated to providing safe, quality housing for Twin Cities families. Our mission is to prioritize comfort and foster lasting tenant relationships while serving God and stewarding His Kingdom.



PORTFOLIO



3020 Longfellow Ave

Rent Per Month: \$3,000
Bed: 5
Bath: 2
Purchase Price 2023: \$213,000
Appraised Value 2023: \$356,000
Equity: 20%
Lender: First State Bank of Rosemont



910 19th Ave NE

Target Rent Per Month: \$3,200
Bed: 5
Bath: 2
Purchase Price 2023: \$225,000
Budgeted Rehab Costs: \$45,000
Projected Appraisal Value: \$360,000
Lender: Harris Capital LLC

STRATEGY TO SCALE

STEP 1: ACQUIRE

Acquire 3rd Property under HHMN in North Minneapolis.

STEP 2: MANAGEMENT

Engage in a contract with Varpness Properties as property manager for HHMN real estate portfolio.

**Verbal agreement initiated 8/31/2023*

STEP 3: LEASE

Lease agreement signed by tenants on new property.

STEP 4: REFINANCE

Refinance property with 1st State Bank of Rosemont @ 50-80% LTV.

**Approved for up to \$1.3 Million in commercial loans*

STEP 5: REVIEW

Review the process start to finish to identify improvements for future opportunities.

STEP 6: PURCHASE

Purchase next property.

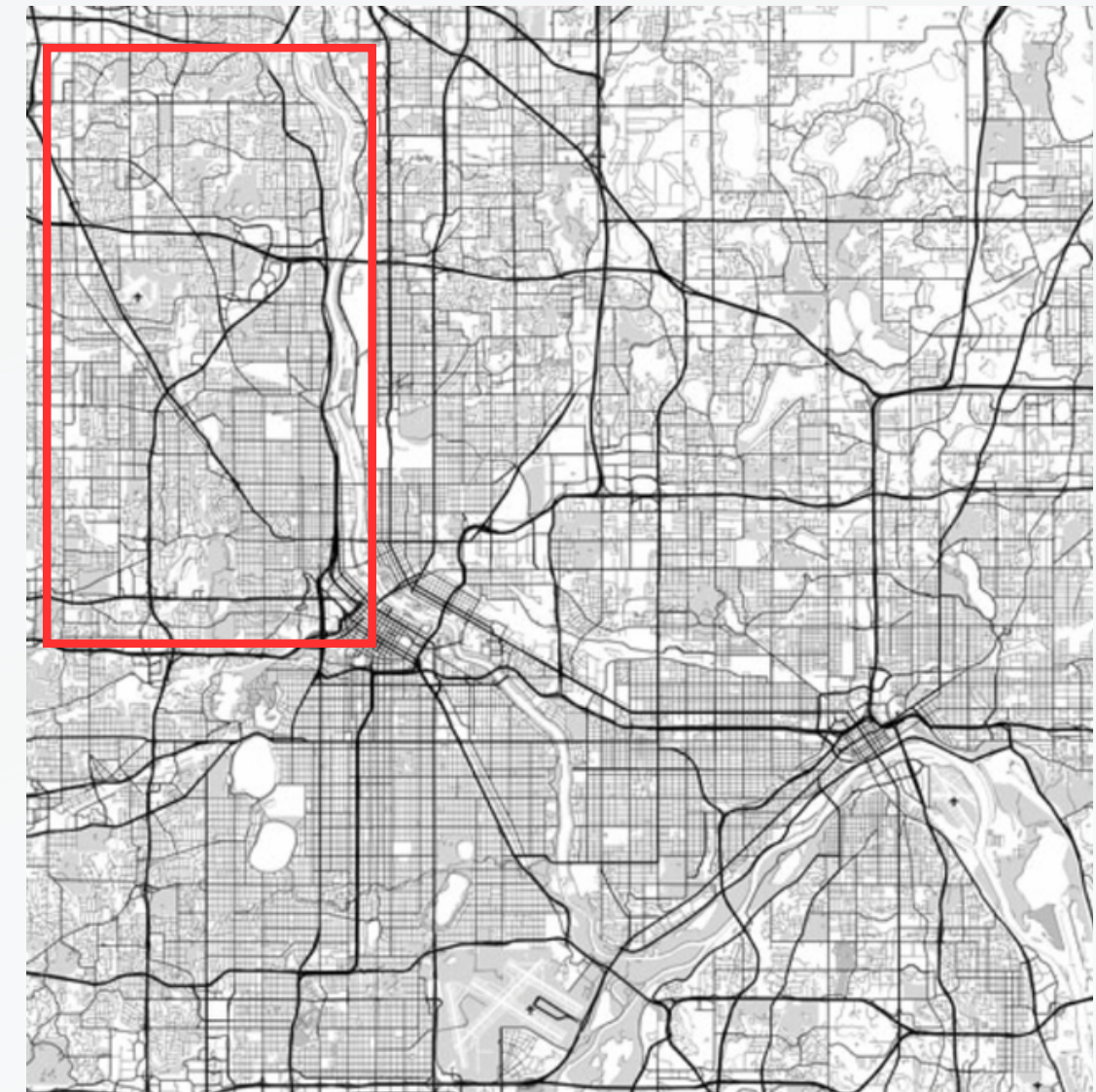
STEP 7: REPEAT

Repeat steps 3-6.



LOCATIONS: MPLS 55411 & 55412

- **Discounted Properties** - Purchase while Institutional Investors unload properties
 - *Due to Interest rates, Balloons, Debt Due, etc.*
- **High Renting Community** - Majority of population rents vs. owns
- **TISH Reports** - leverage for purchase and reveal necessary updates prior to purchase
- **Steady Rent Increase** - Tenants have the capacity to absorb rent increases
- **Public Transportation** - \$2 Billion Investment into public transportation
 - *Future necessary investment into policing areas for safety and maintenance of investment*
- **Development Space Maximized** - No remaining land for developers, commoditized



* LOCATION DATA & DETAILS FOUND IN APPENDIX

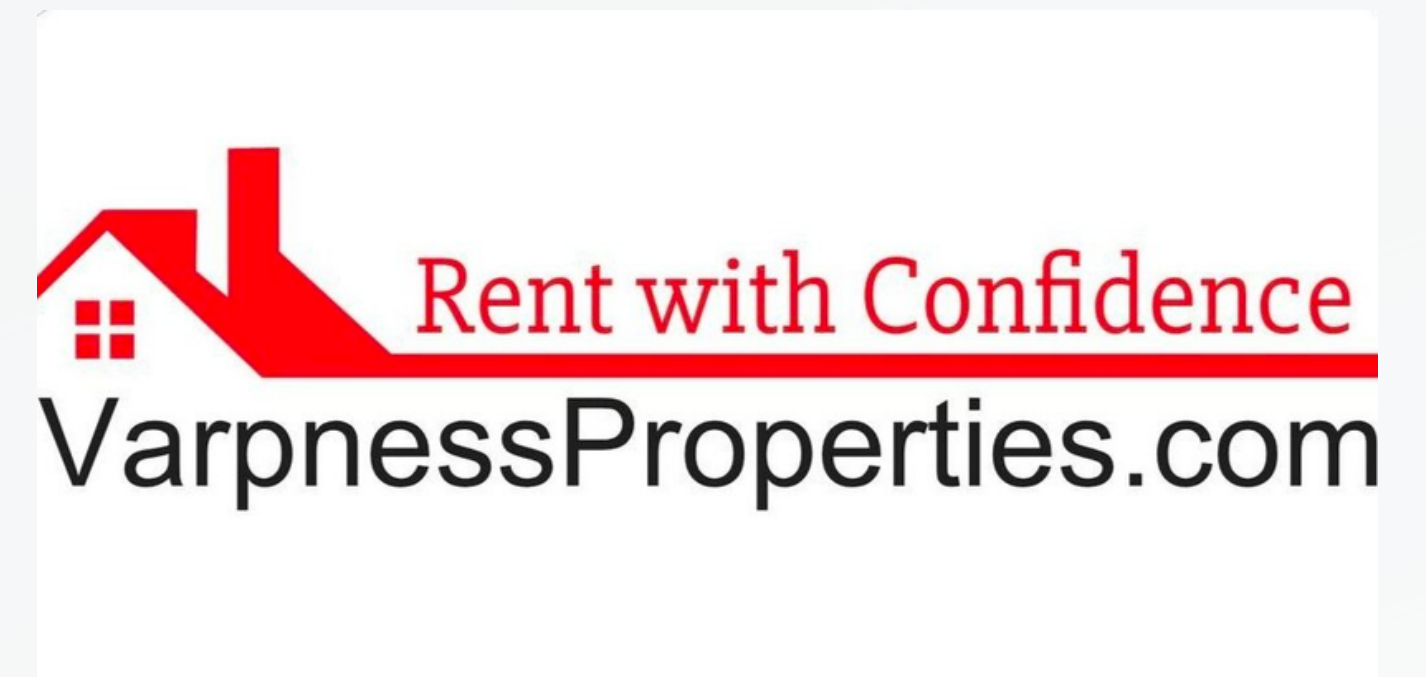


PROPERTY MANAGEMENT

Varpness Properties

- Experienced investor and full-time property manager
- Developed infrastructure to maintain multiple units - including Harris Homes MN Portfolio
 - **Dusty Varpness** - Head operator managing and scaling Varpness Properties, Fronk Properties, and currently acquiring more assets
 - **1 FT Field Laborer** - collects rent, monitors tenants, coordinates repairs, tours vacant properties, and provides property reports
 - **2 FT Contracting Teams** - Rehab and repairs on properties

Website: <https://www.varpnessproperties.com/>



**VARPNESS PROPERTIES WILL BECOME PROPERTY MANAGEMENT COMPANY AFTER THE PURCHASE OF HHMN'S 3RD PROPERTY*



RISK ASSESSMENT

RISKS

- Crime Rate
- Rising Property Management Fees
- Property Decay
- Late and Missed Payments
- Vacancies
- City Rent Cap
- Tax Increases
- Speed of Scale
- Property Management drops us

UPSIDE

- Discounted Prices
- Tax assessments 30-40% higher than list prices
- Section 8 - guaranteed partial payments
- Rent visibility
- Seasoned Property Manager
 - *Many companies in the area*
- Steady appreciation
- Billions of dollars from Federal Investments into transportation

LIFETIME INCOME STREAM

Option 1: 20 Year Term

Monthly Income - 20 Years	\$1,214.63
Investment Amount	\$135,000.00
Interest Rate	9.00%
Loan Term in Years	20
Total Interest	\$156,511.20
Total Payment	\$291,511.20

Option 2: 30 Year Term

Monthly Income - 30 Years	\$1,086.24
Investment Amount	\$135,000.00
Interest Rate	9.00%
Loan Term in Years	30
Total Interest	\$256,047.60
Total Payment	\$391,047.60

*COLLATERAL FOR INVESTMENT WILL BE THE PROPERTY PURCHASED WITH INVESTOR CAPITAL - TO BE WRITTEN INTO CONTRACT.
CLICK THE LINK BELOW TO VIEW THE CALCULATIONS: [HTTPS://DOCS.GOOGLE.COM/SPREADSHEETS/D/1TRNAl_S-RAMGL4CZAMPQU7G9PBNRA53B6O3TCDBXWXO/EDIT?USP=SHARING](https://docs.google.com/spreadsheets/d/1TRNAl_S-RAMGL4CZAMPQU7G9PBNRA53B6O3TCDBXWXO/edit?usp=sharing)





LETS INVEST



612-867-5551



TONY@HARRISHOMESMN.COM



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APPENDIX



Source: [Census ACS](#)
Data Info: 2023
Zip: 55411
Major City: Minneapolis
County: Hennepin County
Metro: Minneapolis-St. Paul-Bloomington, MN-WI
State: MN

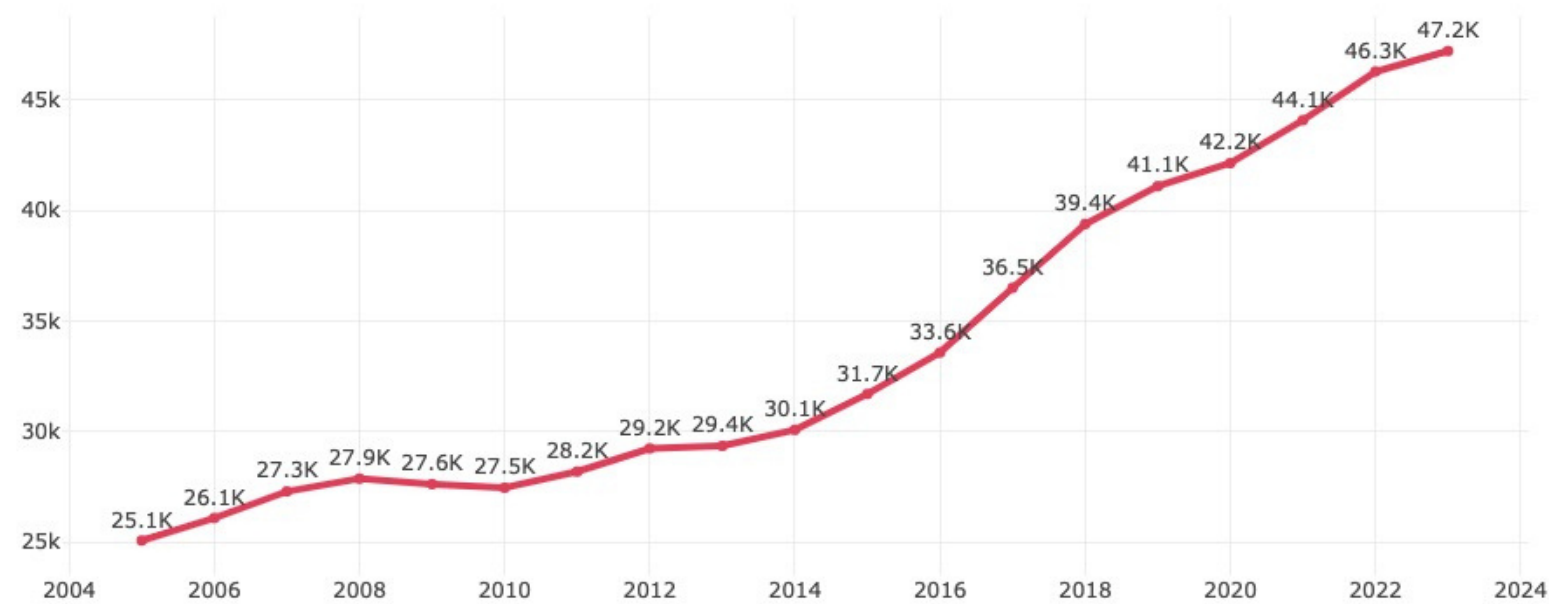
Some of the data may be estimated using data from the US Census and Zillow.

SELECT DATA POINT

Median Household Income | v

55411 - Median Household Income

the income level of the middle, or "median", household in the area according to the US Census Bureau. Median Incomes tend to have a strong relationship with Home Values over time.





Source: [Census ACS](#)
Data Info: Jul. 2023
Zip: 55411
Major City: Minneapolis
County: Hennepin County
Metro: Minneapolis-St. Paul-Bloomington, MN-WI
State: MN

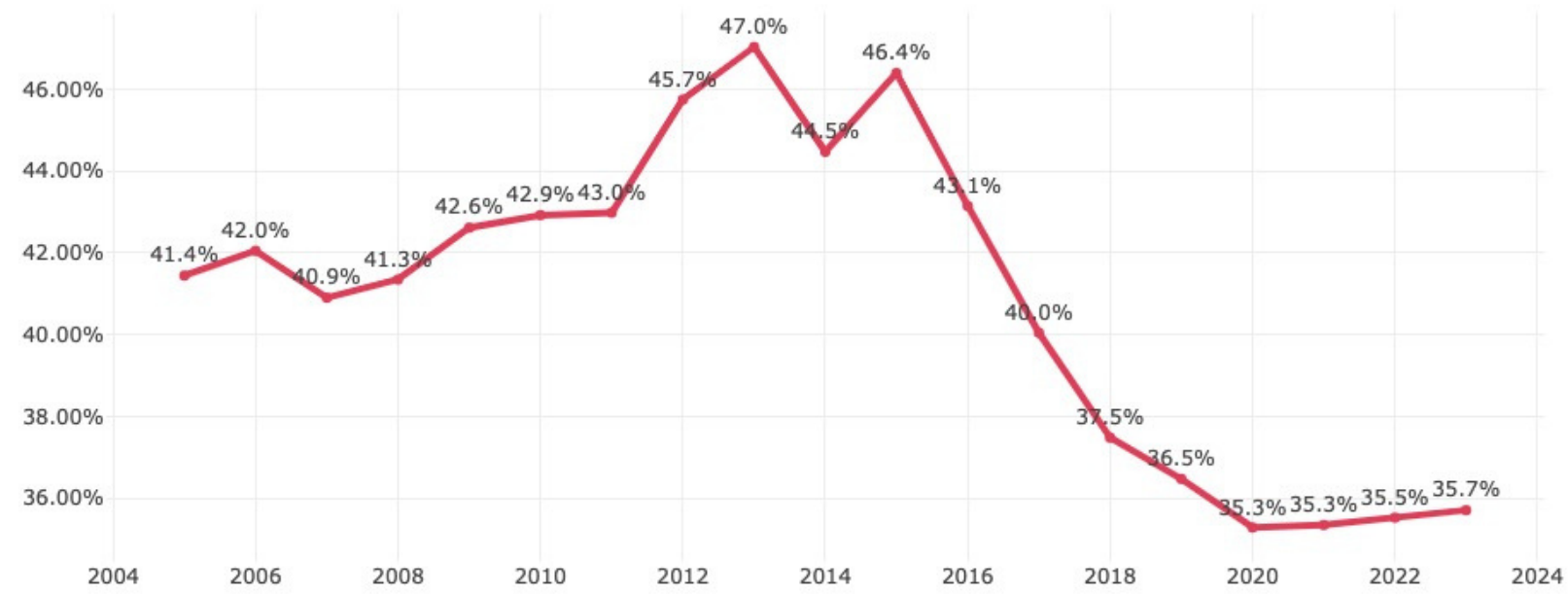
Some of the data may be estimated using data from the US Census and Zillow.

SELECT DATA POINT

Rent as % of Income

55411 - Rent as % of Income

Compares the typical rent to med. HH income





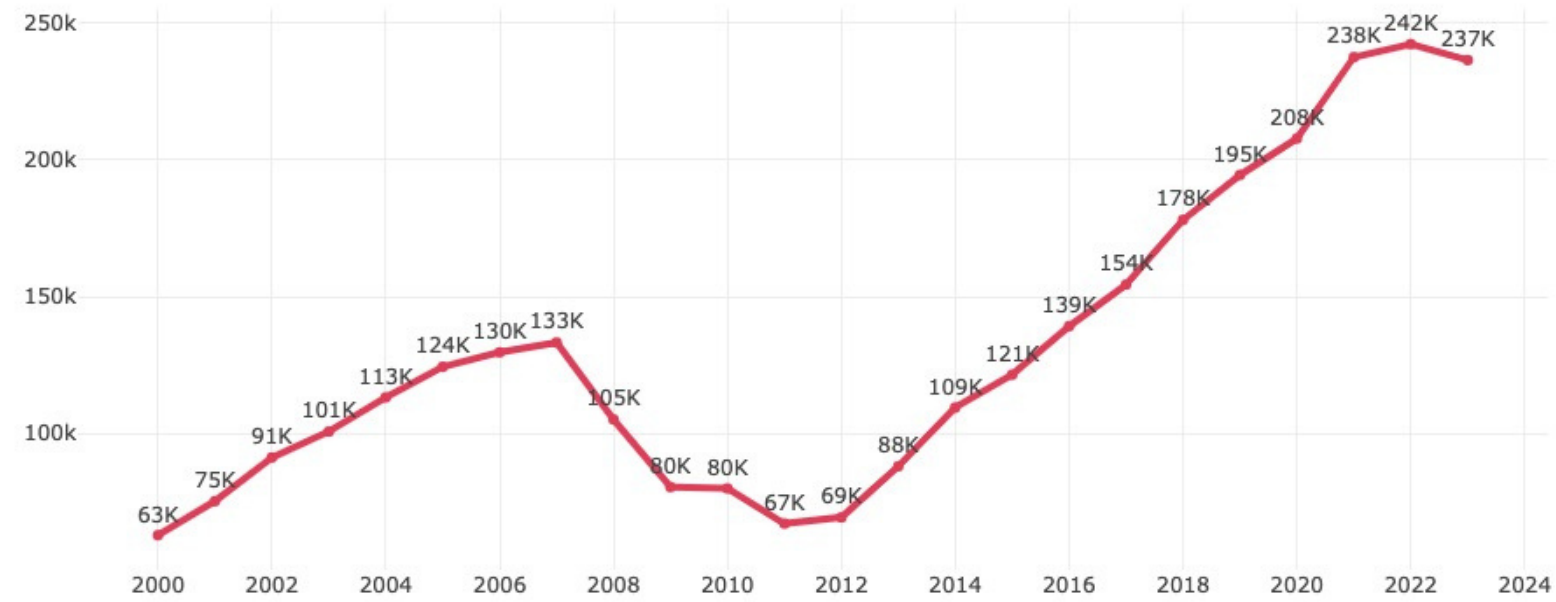
Source: [Zillow](#)
Data Info: Jul. 2023
Zip: 55411
Major City: Minneapolis
County: Hennepin County
Metro: Minneapolis-St. Paul-Bloomington, MN-WI
State: MN

SELECT DATA POINT

Home Value | v

55411 - Home Value

the area's typical Home Value as determined by the Zillow Home Value Index ("ZHVI"). This is a smoothed, seasonally-adjusted figure



Source: [Zillow](#)
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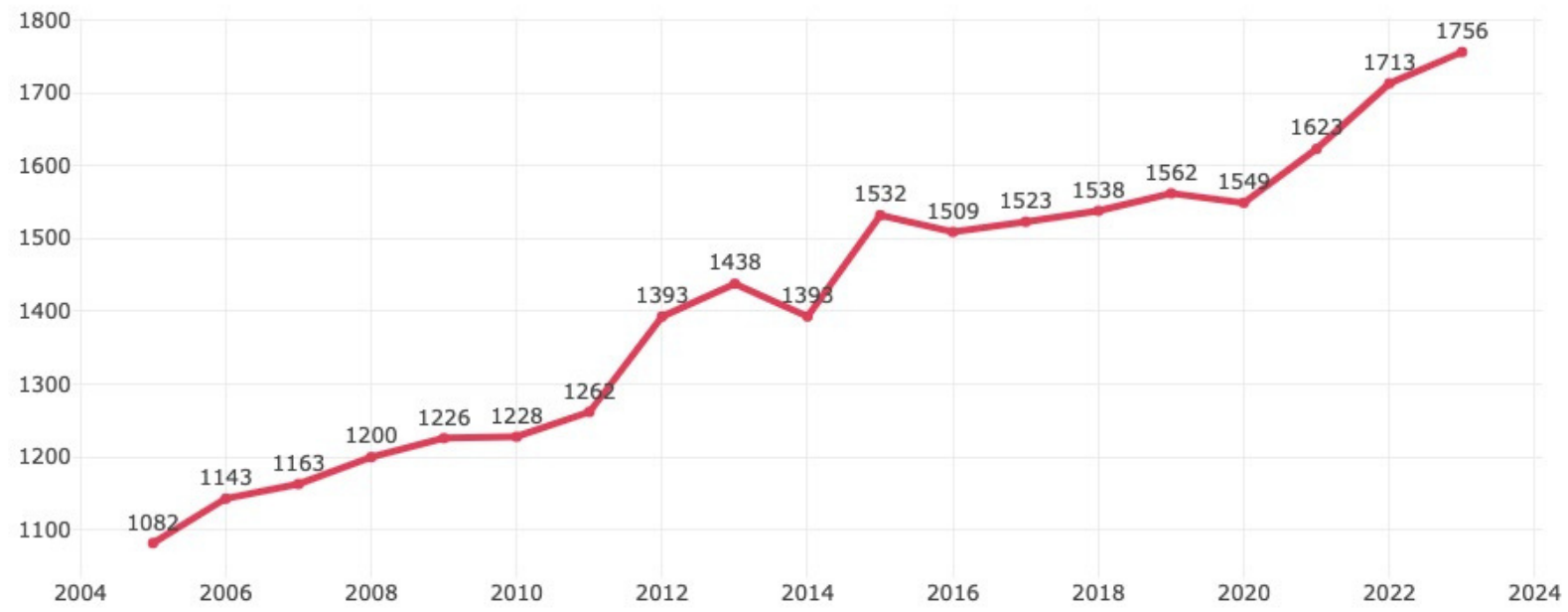
Some of the data may be estimated using data from the US Census and Zillow.

SELECT DATA POINT

Rent For Houses

55411 - Rent For Houses

the typical rent for a medium-sized to large house in the area. Rent for Houses is calculated by increasing the Zillow Observed Rent Index by 25%.





Source: [Zillow](#)
Data Info: Jul. 2023
Zip: 55411
Major City: Minneapolis
County: Hennepin County
Metro: Minneapolis-St. Paul-Bloomington, MN-WI
State: MN

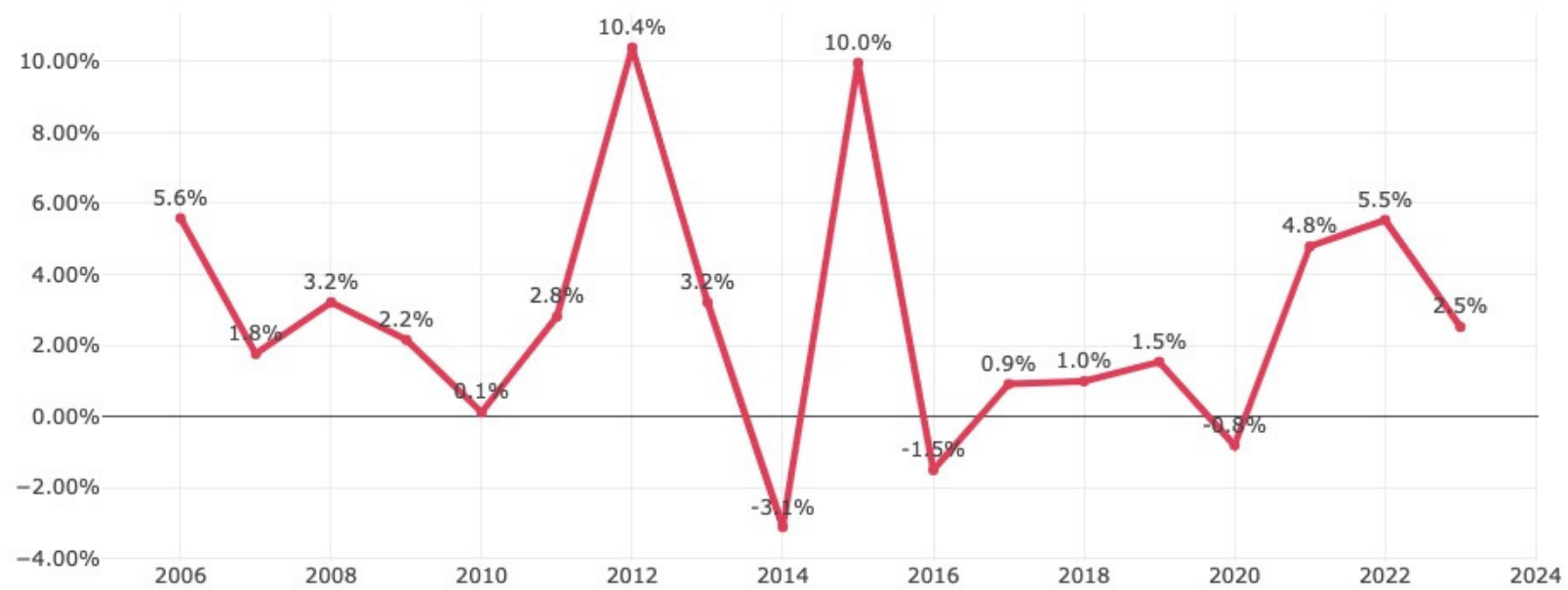
Some of the data may be estimated using data from the US Census and Zillow.

SELECT DATA POINT

Rent Growth (YoY) | v

55411 - Rent Growth (YoY)

the area's typical rent as determined by the Zillow Observed Rent Index ("ZORI"). You can think of this rent as corresponding to what a 2BR apartment or a small house would rent for in the area.





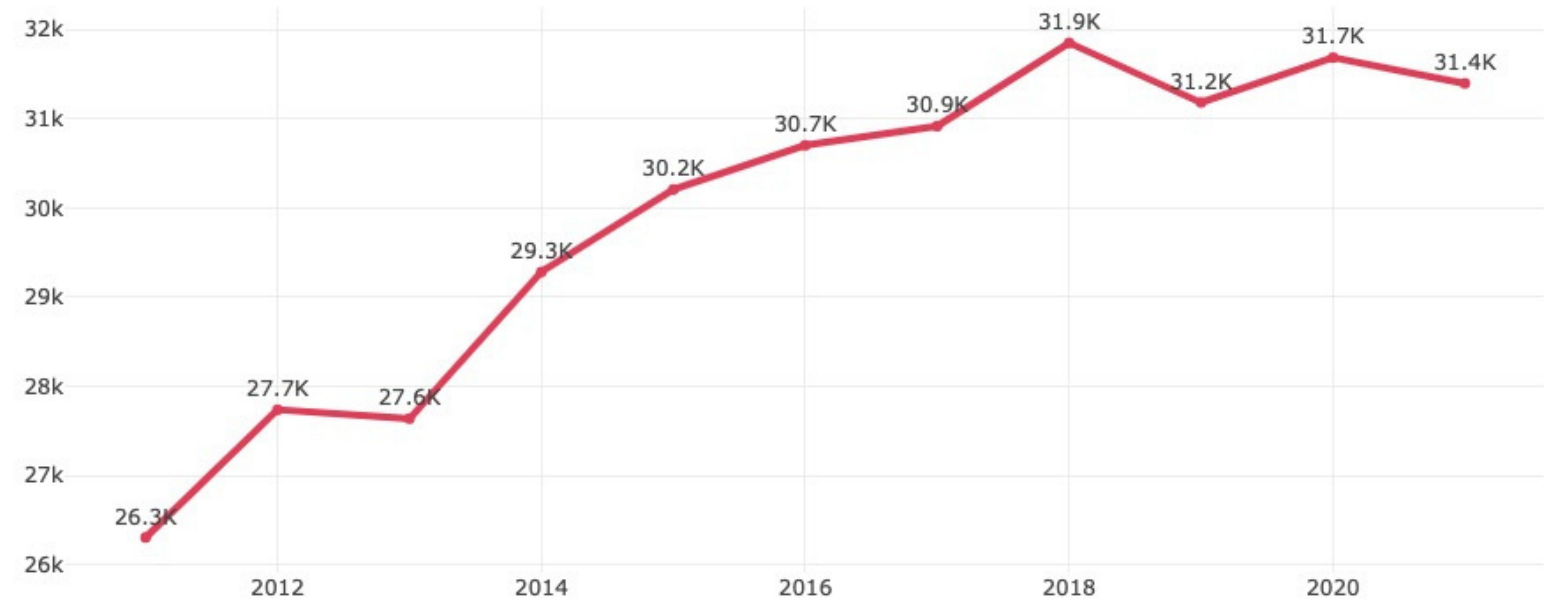
Source: [Census ACS](#)
Data Info: 2021
Zip: 55411
Major City: Minneapolis
County: Hennepin County
Metro: Minneapolis-St. Paul-Bloomington, MN-WI
State: MN

SELECT DATA POINT

Population

55411 - Population

the area's total Population according to the most recent statistics from the US Census Bureau ACS.



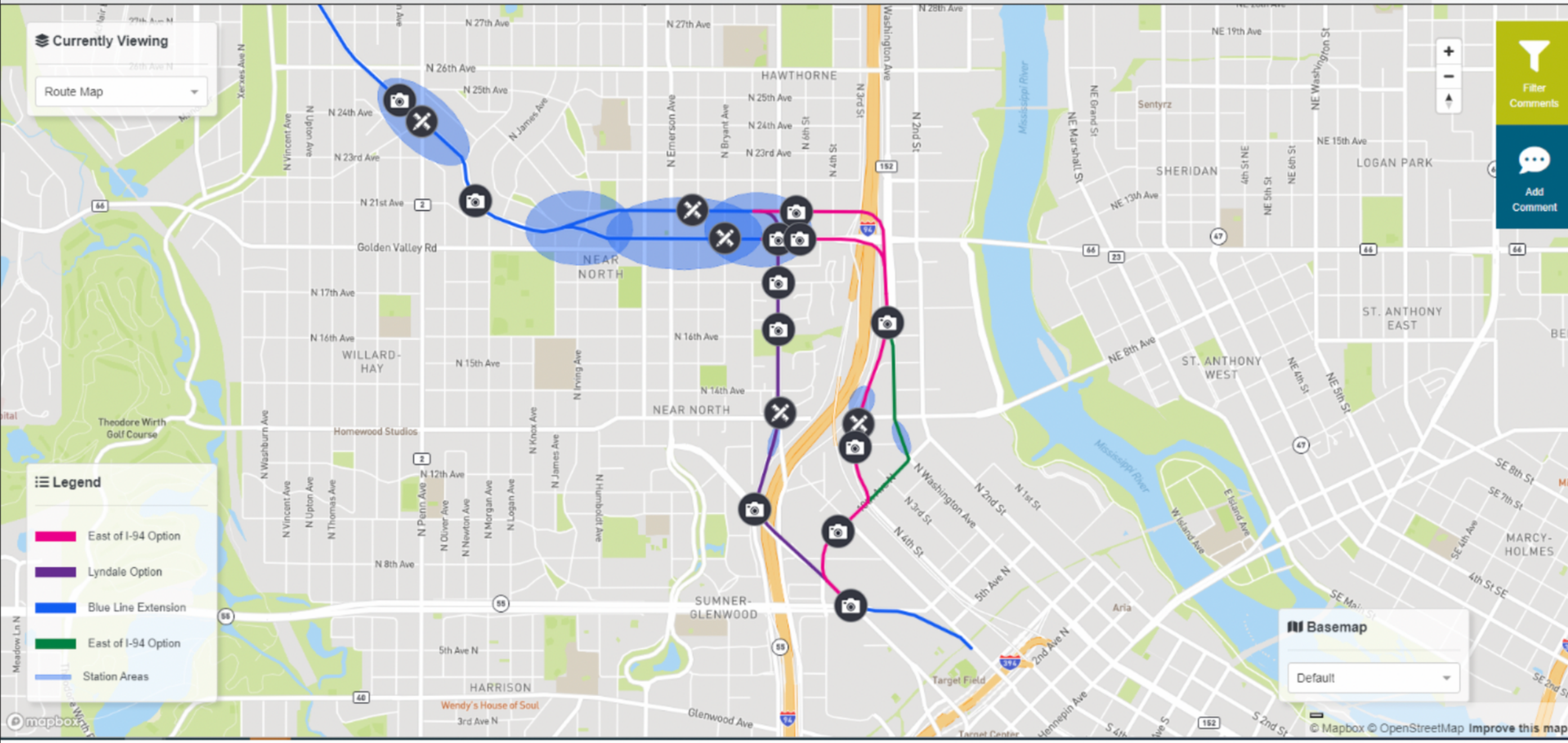
METRO Blue Line Extension

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Project Description PDF

Admin

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