

# STRATEGIC PROPERTY INVESTMENT QUARTERLY

A QUARTERLY NEWSLETTER FROM SPI ADVISORY, LLC



## THIS QUARTER'S NEWS AND UPDATES:

### INVESTING INSIGHTS:

*"REVIEWING & PROVIDING K-1 DATA,"*  
JENNIFER WARDER

RIVERBEND APARTMENTS  
PRESS RELEASE

TEAM SPOTLIGHT,  
JENNIFER WARDER

Q3'23 DEALS SNAPSHOT

Q3'23 PERFORMANCE

#SPICARES 2023 VOGEL  
FUNDRAISER RESULTS

*\*Nothing in this newsletter constitutes an offering.  
Offerings are only completed through a Private  
Placement Memorandum (PPM). Past results are no  
guarantee of future results.*

## FOREWORD FROM SPI PRINCIPAL, JENNIFER WARDER

*"To me, teamwork is the beauty of our sport, where you have five acting as one. You become selfless."* – Mike Krzyzewski (Coach K), former Duke Basketball Head Coach

I'm a former basketball player & a Coach K fan (*sorry UNC & Kentucky fans*). I can't tell you how many Duke games I watched with plays or scrappy actions that gave me goosebumps...not because of a victory they may or may not have achieved but from the "five acting as one" in a beautiful dance. One of the early lessons Coach K would teach is that any loose ball "has your name on it," so I also consistently saw his players individually sacrifice their bodies to go for the loose ball, because that is what you do for your team.

**This Quarterly Newsletter is dedicated to our SPI Team Members**, veterans & new alike. Thank you, each of you, on the SPI Team, for your dedication & sacrifices that have made SPI's vision & desire for excellence a reality.

*Jennifer Warder.*

PRINCIPAL



# INVESTING INSIGHTS:

## "REVIEWING & PROVIDING K-1 DATA"

Written by SPI Principal, Jennifer Warder

Tax season is at our doorstep, & SPI has already been working behind the scenes to prepare for this key, annual process. As you know, providing K-1s to you as an Investor so you can file your taxes is a major part of filing our own Partnership returns (*IRS Form 1065*).

**What can you do to ensure we have accurate information on your K-1?** Follow the outlined steps below from now through December 15th. [You may also follow along with these instructions in our "K-1 Data Review" video.](#)

1. Log into your [SPI Investor Portal](#).
2. Click the **K-1 Data Review** menu item.
  - Once on this page, before doing anything, please carefully read the provided *Instructions* at the top.
3. You'll see the following panels available as you scroll:
  - **Investor Accounts | Selected Account Overview**
    - Single-click the briefcase icon (👛) next to the Account name of one of your Investor Accounts to "select" it & see its data overview in both the right-hand *Selected Account Overview* panel & below in the *K-1 Data Review* panel.
  - **K-1 Data Review | K-1 Layout**
    - The left-hand *K-1 Data Review* panel shows you what the K-1 will look like for the selected Investor Account if there's an active investment tied to it.
    - The right-hand *K-1 Layout* panel shows you a screenshot of the K-1, fields E – I2.
  - **Request K-1 Data Updates (other than Address)**
    - This form allows you to submit changes to K-1 Data other than your Address.
4. **Address Changes:** K-1 addresses can be updated "inline" in the **Selected Account Overview** panel.
  - Hover & click anywhere on the *K-1 address* displayed for the selected Investor Account, & a pop-up with address data will appear.
  - Edit the address & click the "OK" button to save your address change.
  - **Important:** Be aware that there's a time delay between an address update being made in the *Selected Account Overview* panel & the change being reflected in the *K-1 Data Review* panel below.
5. **Non-Address Changes:** To request changes to your K-1 Data other than an address change, scroll down to the bottom of the page to the **Request K-1 Data Updates (other than Address)** form.

# INVESTING INSIGHTS:

## "REVIEWING & PROVIDING K-1 DATA"

Written by SPI Principal, Jennifer Warder

- Select the Investor Account you'd like to make a change to, clearly describe the specific edits you're requesting in the dialogue box below, & then click the "Submit" button at the top.
6. We'll review the submission & get back to you with any questions or next steps required. You may be asked to sign a W-9 Certification, depending on the change.

### **What is our deadline?**

For us to include your requested changes on the 2023 K-1s, you must submit them by **December 15, 2023**. We'll work with you to process any change requests by December 31, 2023, as some requests require multiple communications to finalize the change. Once the deadline has passed, we will **not** accept any requests for changes to your K-1 Data & will file tax returns based on the data we sent to our CPA on January 2, 2024.

### **Unique IRA Account Holder EIN**

If you have a **Custodial Self-Directed IRA** account & you have not already provided SPI a **unique IRA Account Holder EIN**, you received an email from us on **November 15, 2023** with information regarding a [NEW] IRS requirement with a set of specific actions you will need to take. We sent a reminder email in late November & will send a final reminder in early to mid-December regarding this requirement.

**We appreciate your investments with us & wish you the best of holidays as we say goodbye to 2023!**

**HAPPY INVESTING!**

*Jennifer Warder.*

PRINCIPAL



[READ IT ON THE BLOG](#)

PRESS RELEASE

SEPTEMBER 2023

SPI ADVISORY ACQUIRES 164-UNIT  
NEW BRAUNFELS APARTMENT COMMUNITY:

# RIVERBEND APARTMENTS

435 N. BUSINESS IH-35, NEW BRAUNFELS, TX 78130

AS COVERED BY:



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**ON SEPTEMBER 28TH, 2023,**

SPI Advisory ("SPI") & its partners finalized the acquisition of [Riverbend Apartments](#), formerly known as "Hawthorne Riverside."

**Riverbend Apartments** is a 164-unit, Class-A- institutional-quality apartment community built in 1995 between the San Antonio & Austin metros along the I-35 corridor in the heart of New Braunfels.

[spiadvisory.com](http://spiadvisory.com)

**CLASS A- | 164-UNITS  
1995 CONSTRUCTION**

[READ THE PRESS RELEASE](#)

# TEAM SPOTLIGHT

Written by SPI Principal, *Jennifer Warder*



A team is not a group of people who work together. A team is a group of people who trust each other." – *Simon Sinek*



We're putting the spotlight on each of our employees for this Newsletter issue. Some names you'll recognize from having worked with them in the past. Some are new to our team. From veteran to new, these are the members of the SPI Team who "move the needle" every day.



**STEVEN BROWN** The first person to join Michael Becker & Sean Mabarak on the SPI team, Steven's positive attitude & "can do" approach to work (*usually accompanied by a mini-shoulder dance*) consistently lifts the team up. He regularly juggles multiple red-hot Transactions for SPI, guiding them to successful closings. I knew Steven & I would get along when, on the way back from our first work lunch together, I said something to him that caused him to choke-laugh the Coke he was drinking.

Steven doesn't just look for the finish line, he enjoys the journey along the way. This is backed up by his 2-year trip to distant countries around the world in his 20s, which included camping on a beach where a number of dangerous critters could have ended his young life at any moment. Recently married, Steven's settled down & enjoys spending time with his new wife & family, including a soon-to-be-teenage son.

**NICOLE TAYLOR** SPI Investors who've called in for help have likely spoken with Nicole at some point or another. And, it's not uncommon for us to receive emails from Investors who've worked with her expressing their gratitude. A go-getter who effortlessly juggles multiple, disparate tasks & deadlines, Nicole's done everything from project managing the beautiful build out of the current Dallas office several years ago to providing detailed assistance to our Investors during equity raises...all tackled with a passion to "do the right thing."

This ability to manage various tasks or projects simultaneously translates well to her busy home life as well, where she's raising a sophomore in high school & rambunctious twins that she welcomed into the world early this year. I can personally attest to the quality of her work at home from having spent time with said sophomore, who, for a young woman traversing those hard teenage years, is just a great human being.



**JOSH TUCKER** Josh is passionate about Asset Management & enjoys the individuality of each property & the unique challenges each can raise during ownership. If you ever have a conversation with him about Asset Management, he'll talk about the work he does to identify the appropriate "levers" at each property to increase income & reduce expenses. While some levers are common across the properties, others require individualized analysis & problem-solving, & Josh thrives on finding those solutions. His success in finding these solutions is partially due to his frequent visits to the properties. Josh loves being onsite, working with the people at the property, observing what's working & challenges to be addressed, & seeing CAPEX visions come to life.

In the past couple of years in his personal time, Josh has also managed a major renovation of his home north of Dallas where he & his wife raise horses, a donkey, & chickens. He also built a chicken coop with unique roosting branches that their hens enjoy, as evidenced by the cartons of fresh eggs he frequently brings into the office. Josh & his wife both love live music & tell captivating stories about the festivals & events they've attended, the music they experienced, & the people they enjoyed spending time with there.

**SEAN CALLAWAY** Sincere & serious, yet fun-loving & easy to talk to...deeply analytical, yet always seeing the bigger picture, "Callaway" (*as I call him to distinguish from Sean Mabarak*) shows great balance across multiple facets. His years of hedge fund experience, macroeconomic research, & natural ability to communicate effectively with all types of investors & brokers alike provides him with an excellent foundation for the work he does at SPI.

An intriguing & creative component of his resume was being a part-time, professional online poker player to earn money while at university, using strategies based on probability & game theory to turn a profit. It's this unique ability to apply a combination of his various skillsets to the task at hand that makes Callaway a strong team player. This balanced approach to enterprise also applies to his personal life; although he's a deep thinker & sincere, he's also outgoing & easy to talk with. This translates to strong bonds he forms with others in both his work & personal life. Sean has many long-lasting friendships & is happily married.



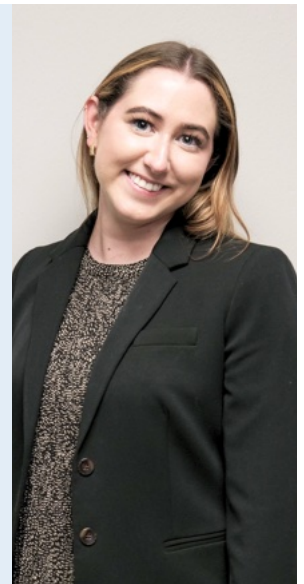


**KARA PEREZ** In this issue's Foreword, I mentioned that the former Head Coach of Duke Basketball, Coach K, taught every player that any loose ball "has your name on it." Kara inherently possesses this same mindset. From the first week she started, Kara was already pitching in to help in areas that had nothing to do with her job description. I've seen her perform many a "save," as we call it in basketball. Although she's helped the Operations team with equity raises & other projects, her main role is acting as the bridge between Property Management Accounting & our CPA for tax purposes, among other Accounting related responsibilities.

But, don't let the "Accounting" side of Kara fool you...she's also passionate about the arts (*painting, music, dance, theater...you name it*). Beyond that, she's an empathic person of great kindness & love, both at work & at home. Kara has a loving marriage, three grown, beautiful daughters, & a close-knit family.

**LILY TURNER** Naturally creative, Lily spends her after-hours relaxing by painting; however, she frequently bemoans the fact that none of her paintings are finished (*at least in her eyes*). For me, that's the perfect analogy for her approach to the Marketing work she does, which I always find beautiful, but to her, is never quite good enough. She always strives to make her work product better. In fact, Lily constantly works to improve in all aspects of her life, which included a stint of powerlifting this past calendar year. Although she took an indefinite pause from powerlifting in the past couple of months, this petite woman has certainly retained the strength she gained, as evidenced by the speed at which she could send a bowling ball down the alley at a recent team event.

Lily's a natural giver and, therefore, an amazing friend. I know this both from observation & being the recipient of her loving nature. She enjoys spending time with friends, seeing live music & traveling in the US & overseas, especially to France, where she leverages her fluency in French to comfortably converse with the native speakers there.



**ASHLEY PEACOCK** Ashley is voracious for challenges, which is why I'm grateful she was on the journey with me to complete the long-term project of building SPI's new Investor database. During this project there were a lot of moving parts both of us tackled in addition to performing the responsibility of our day jobs. Ashley dug into areas I had no time to research, which helped take the final result further than would have been possible otherwise, thus making the overall vision of many years come to fruition. She's also known for stepping in to support the team in multiple areas, helping others complete their own projects, & training others to take over processes she helped to create.

Always looking to challenge herself, Ashley recently completed a half-marathon (*not the first she's done & won't be the last*). On a recent business trip to Boston, she sent a photo of herself standing behind the bronze marker embedded in the sidewalk that represents the end of the Boston Marathon, likely another Marathon in her future. But, Ashley's dedication is not just to challenges; she's devoted to her family & close friends whose lives are much richer for knowing her.

**KATRINA KEYS** The way I describe Katrina to others who've not yet met her is to say, "when she visits the office, it's like sunlight & fresh air come in." I know others feel the same way, as I've observed the instant shift in energy level in others upon her arrival. Katrina's favorite emoji to use is a salsa dancer whose skirt is in mid-flair from a dance move, what I consider to be a fitting representation of her energy & passion for life. It's this passion for life & people that makes her an invaluable addition to the team in her Human Resources role.

One of Katrina's rare gifts is her incredibly collaborative nature that takes multiple perspectives into account in all she does, making her contributions balanced & highly effective. Katrina's unlimited energy is not just devoted to work, she also has two grown children & volunteers on a regular basis in addition to serving on the Board of several organizations.

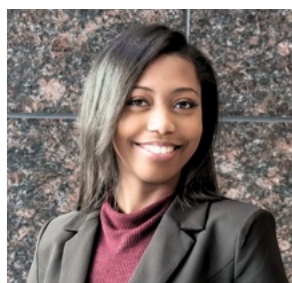


## NEW TO OUR TEAM - OCTOBER & NOVEMBER



**ISABELLE THOMPSON** Isabelle graduated from Johns Hopkins University where she was recruited to play NCAA Field Hockey & was on the team that were National Runners Up in 2021. Because Johns Hopkins doesn't have a business degree option, Isabelle obtained a BA in Cognitive Science with a focus in Neuropsychology & Linguistics & a double minor in Marketing/Communications & Entrepreneurship/Management. This translates to not just a deep understanding of effective communication but the practical application of this knowledge. Her background & skill in communications will make her highly effective in her role in working with our Investors on a regular basis.

**MARTIKA TIGGS-MCDOUGGAL** A Virginia native with over 10 years of experience, has joined SPI's Austin office to provide much-needed assistance to Steven & Callaway in coordinating Transactions. Her "can do" attitude & the work she has done has already eased the load the Austin team was carrying. And, her positive energy & personality have brought the Austin team out of their individualized "work bubbles" (as Steven describes it). Outside of work she enjoys traveling abroad with her wife & playing with her mini dachshund, Olivia.



**TAMIA BALLETT** A highly skilled communicator, Tamia learned quickly in her former roles how to balance the defined needs of two sides of a situation, a skillset that brings value to any organization & one that she brings to both her work & personal life. Naturally an organizer & go-getter, Tamia has brought much needed help to Josh Tucker in Asset Management. We look forward to seeing her thrive here.



## SEAN MABARAK & MICHAEL BECKER



**Teamwork begins by building trust. And the only way to do that is to overcome our need for invulnerability." – Patrick Lencioni**

I've worked in multiple industries, largely due to the IT consulting work I did for 15 years of my career. So, I've had a real variety of work experiences & work relationships. In all of these experiences, there has been one constant... the absolute core of the people I work with has to be honesty & integrity, or I walk away really quickly. Actually, let's be honest, I sprint.

What's the core of Mike & Sean? They're both just good human beings. Honesty & integrity? Absolutely. Are any of us here perfect? No, we're all seeking to grow & improve every day. But, that's what makes it so special here for me.

And, what do I appreciate most about both of these men? It's the interactions I've observed time & time again of them with their families, but, especially with their wives. These guys genuinely love & are devoted to their families.

When my Dad passed away in 2017, I did something I would not normally feel comfortable doing...I asked people from the team to come to his funeral. It's not like I didn't have a large extended family of my own traveling to Dallas; I did. But, somehow, I needed this work family with me there that day. Sean & Steven traveled from Austin with their families, & Mike, who had a prior speaking engagement, took time out to come with his wife. Others who worked for SPI at the time in addition to our extended work family attended as well. I still remember Mike coming back to the family room prior to the funeral service to talk with us, meet my family, & make sure I was OK. After the funeral, at a family gathering, Sean & Steven came with their families to spend time with us there, & they all had me laughing, as usual. It eased the ache of the loss. It still does.

Although the faces (& voices) here may change a bit from time to time, the constant is our shared core values, which underpin our team.

*Jennifer Warder.*

PRINCIPAL



**FROM THE SPI TEAM TO YOUR FAMILY...  
HAPPY HOLIDAYS.**

# Q3 2023 DEAL SNAPSHOT

Written by Lily Turner, Marketing Manager

In Q3 2023, SPI added **two new properties** to its growing portfolio, *Parkview Terraces* & *Riverbend Apartments*.

## ACQUISITION



PARKVIEW TERRACES

On **August 28th, 2023**, SPI Advisory, LLC finalized the acquisition of **Parkview Terraces** (formerly known as "Cortland Southpark Terraces"), a newly-renovated 244-unit, Class-A institutional-quality apartment community built in 2009 less than five miles from Austin's bustling South Congress entertainment district along the rapidly growing IH-35 corridor that connects Austin & San Antonio.

Parkview Terraces represented SPI's **8th current property under management in the Austin metro area**, totaling nearly 2,500 units.

“With this acquisition, **SPI Advisory continues to expand its presence in the Austin market**” said **Michael Becker**, Principal of SPI Advisory. “...Being located south of Downtown in the I-35 corridor made this opportunity extremely attractive to us... It's also near several of our other assets in the Kyle/Buda submarket. We're bullish on the long-term growth prospects of this region and are looking forward to expanding our holdings here ahead of this continued growth.”

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On **September 28th, 2023**, SPI Advisory, LLC & its partners finalized the acquisition of **Riverbend Apartments** (formerly known as "Hawthorne Riverside"), a 164-unit, Class-A- institutional-quality apartment community built in 1995 between the San Antonio & Austin metros along the I-35 corridor in the heart of New Braunfels.

This acquisition came exactly one month after SPI's acquisition of Parkview Terraces. SPI now owns & operates **nine institutional-quality properties within the proximal submarkets** of *Austin, Kyle, & Buda*, as well as **1,160 units** in nearby *San Antonio*.

“We are excited to add Riverbend to our portfolio,” said SPI Principal **Sean Mabarak**. “It is truly a one-of-a-kind asset... We are grateful to be getting deals done during such a turbulent time for capital markets. It was not easy to say the least, but being able to purchase legacy assets like Riverbend at what we feel is a very compelling basis makes it all worth it.”

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## ACQUISITION



RIVERBEND APARTMENTS

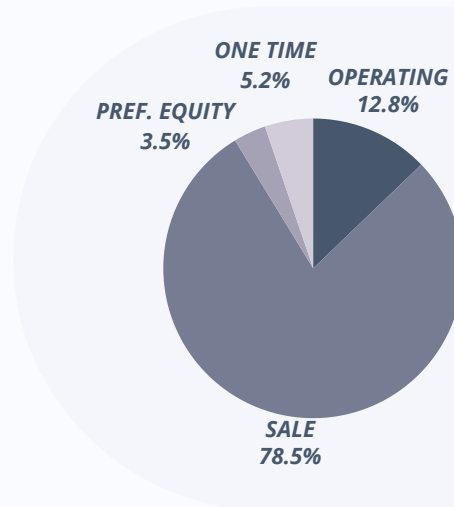
# Q3'23 PERFORMANCE

2023 DISTRIBUTIONS	Q1	Q2	Q3	TOTAL
OPERATING DISTRIBUTIONS	\$3,183,500+	\$2,866,500+	\$2,839,500+	<b>\$8,889,500+</b>
CAPITAL DISTRIBUTIONS	\$32,371,000+	\$0+	\$0+	<b>\$32,371,000+</b>
<b>TOTAL 2023 DISTRIBUTIONS</b>	<b>\$35,554,500+</b>	<b>\$2,866,500+</b>	<b>\$2,839,500+</b>	<b>\$41,260,500+</b>

## 2023 DISTRIBUTIONS

**\$32.37MM+ IN TOTAL CAPITAL DISTRIBUTIONS**

**\$41.26MM+ IN TOTAL DISTRIBUTIONS**



**7,500+ UNITS MANAGED**

Q2 2023 UNITS: 7,228  
 - DISPOSED UNITS: 0  
 + ACQUIRED UNITS: 408  
 = Q3 2023 UNITS: 7,636

**2.0% INCREASE**  
 IN NET RENTAL INCOME  
 3Q 2022 v. 3Q 2023

**18.6% INCREASE**  
 IN NET OPERATING INCOME  
 3Q 2022 v. 3Q 2023

**JOIN OUR DATABASE**

Unaudited. For Internal Use Only.

# #SPICARES – 2023 VOGEL FUNDRAISER

**\$30,000+**


RAISED THIS YEAR IN SUPPORT OF OUR 2023 #SPICARES PARTNER, VOGEL

**IN NOVEMBER OF THIS YEAR,** SPI Advisory held its second annual fundraiser to show continued support for its #SPICares initiative partner, Vogel. Not only has SPI Advisory made it an annual tradition to raise funds to support Vogel, [SPI also volunteers with Vogel](#), because everyone on the SPI team truly believes that they make a difference in the lives of the most vulnerable population in our community, the homeless families & youth in Dallas, TX.

The main objectives of this fundraiser were to introduce SPI's Dallas investors to Vogel, educate them on the impact this nonprofit accomplishes in the city where SPI's main office is located, & finally, inspire them to pledge a donation to go toward the operations of the organization & all of its incredible staff & volunteers. SPI pledged an initial donation of \$10,000 & promised to match up to \$10,000 in investor donations.

By the end of the fundraiser, on November 9th, 2023, SPI & its investors raised a total of \$30,281.00 to support Vogel.

[READ MORE](#)



**Vogel** is a one-of-a-kind nonprofit 501(c)(3) organization located in Dallas, TX operating with the mission to provide refuge, rehabilitation services, & necessities to the children & families facing the traumatic effects of homelessness within the metroplex. Since its doors opened in 1987, the organization has served over 17,000 homeless children & their families in DFW providing them with food, employment, education, transportation, mental & health care, & a safe environment to thrive & grow. The detrimental effects of homelessness can last a lifetime, & that's why Vogel strives to provide services to *"help families heal their trauma, empower parents to build stability, & let kids just be kids."*

Over the past three years, with the help of investors like you, SPI has raised **\$90,000+** to support Vogel.

[DONATE NOW](#)

# ABOUT SPI ADVISORY, LLC



**SPI ADVISORY, LLC** is a Dallas-based private equity firm that has been a principal investor in over \$2 Billion worth of multifamily real estate, with \$1.6 Billion in current Assets Under Management.

SPI is transforming the way high-net-worth investors identify, assess, secure & sell high-yield, tax-efficient multifamily real estate investments.

SPI offers tailored joint venture partnership and advisory services as well as passive investing opportunities in institutional quality multifamily assets to our increasingly diverse client base.



KNOW A FRIEND OR FAMILY MEMBER WHO MIGHT INTERESTED IN  
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**Share the Wealth!**

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