



Undoor Investor Packet

Helping others build wealth through real estate





01 - ABOUT UNDOOR VENTURES

02 - OUR TEAM

03 - HOW INVESTING WITH UNDOOR WORKS

04 - WHY REAL ESTATE?

06 - OUR MARKET

08 - OUR PROCESS

09 - SAMPLE DEAL

11 - Security

12 - NEXT STEPS

13 - GLOSSARY OF TERMS





A Little About Us

Real Estate Investors



Nathan Murith - Owner

I have been purchasing property since 2019. The majority of the residences purchased are in distressed condition and in need of repair and rehabilitation. I truly enjoy helping homeowners who are looking to sell their unwanted and/or distressed properties, renovating and renting those homes at a fair market price, and adding value to communities by reducing neighborhood blight and increasing property values. I am passionate about real estate investments. I am also actively seeking single and multi-family properties to expand my rental portfolio.

Undoor Ventures

We purchase properties in "as is" condition, which gives homeowners the ability to close fast and without the need to list with a real estate agent. This eliminates costly repairs, high commissions, long waits, and showings to prospective buyers who may or may not qualify for a mortgage.

Our goal is to help people who are in need and at the same time provide the highest level of service to property owners that are looking to sell their homes for whatever reason. We then rehab these homes to provide high-quality affordable rentals for the local community. We work hard to make sure clients are informed, up-to-date, and completely satisfied throughout the entire process.





Our Team

We partner with experienced local businesses who bring market knowledge and real estate experience



PROPERTY MANAGEMENT
1,400+ units under management



BANKING & LENDING
Full-service solutions for individuals and businesses



INVESTMENT LOANS
Direct portfolio lender dedicated to investment property loans



TITLE COMPANY
Modern title and closing experience



BUSINESS SERVICES
Business services for asset protection



LEGAL PARTNER
Real estate specialists



How Investments with Undoor Work

①

We find properties needing rehab that will cash flow

Undoor Ventures finds and secures properties that are in distressed condition and in need of repair and rehabilitation.

②

You review every investment opportunity

These properties and their details analysis are put in front of our investors for review.

③

We invest together on select deals

Investors participate in acquisition and/or rehab costs at their discretion. Undoor Ventures always invests in these deals to ensure aligned interests with our investors

④

You collect distributions

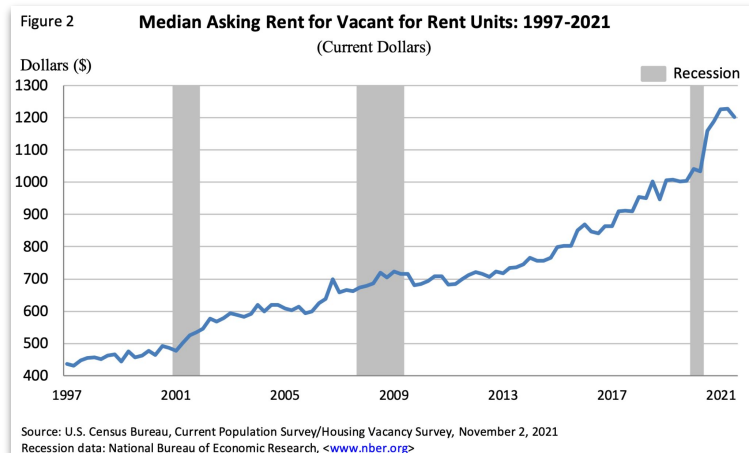
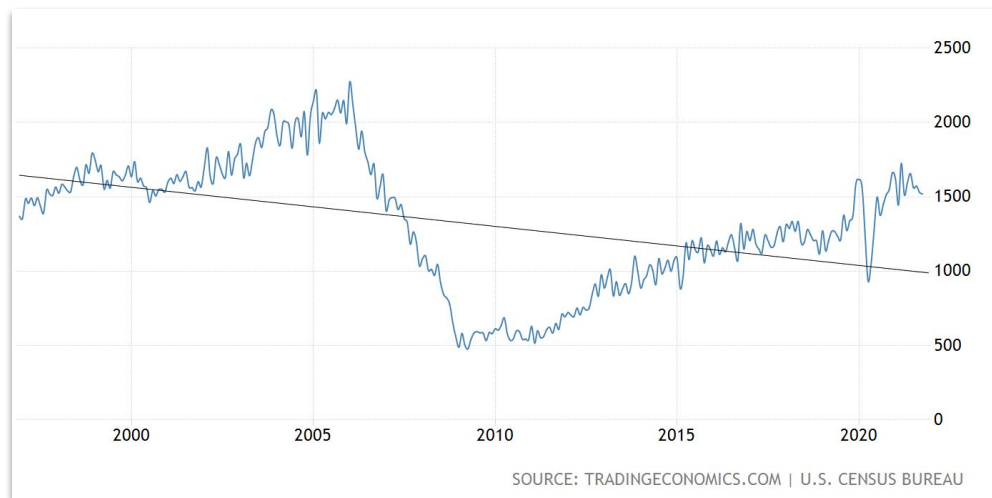
Investors received progress and monthly reports, as well as distributions for their investment.

Rental Trends

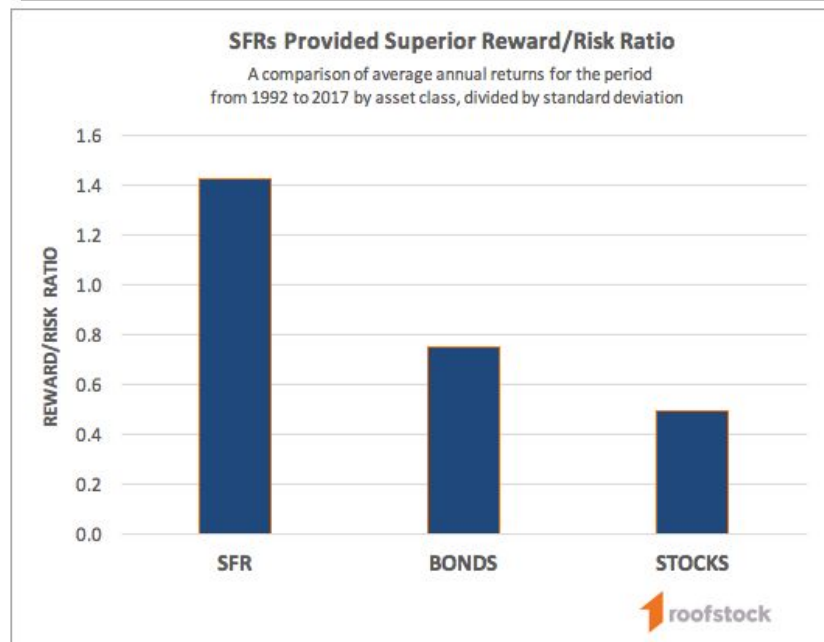
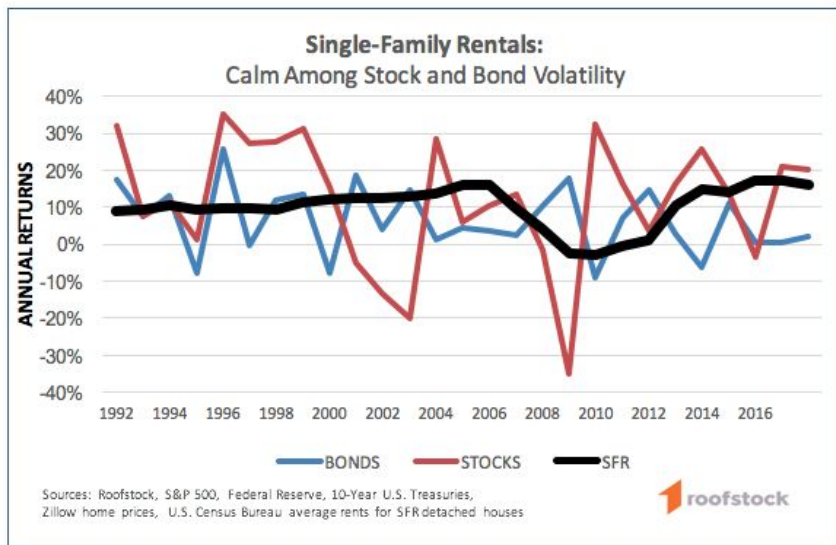
→ Housing starts continue to **trend downward** further exacerbating the housing supply.

→ The lack of construction combined with the rapidly rising prices for single-family homes have resulted in **high demand** for rental properties.

→ High demand and low supply have produced rapid and continual **increase in asking rent** with no sign of slowing.



Risks vs. Rewards



Asset Class	Average Annual Returns	Reward/Risk Ratio
Single-Family Rentals	8.00%	1.4
Bonds	6.50%	0.8
Stocks	8.20%	0.5

Target Market

St. Louis, Missouri and suburbs offer an ideal investment market



ST. LOUIS, MISSOURI

St. Louis offers growing technology, education, healthcare, and government industries. Some of the biggest companies headquartered or with a large presence in St. Louis include:



#1

Best City for Millennials*

#15

Most Startup Business Activity**

Gateway Arch
St. Louis Zoo
Missouri Botanical Garden

40+

Colleges and Universities

Undoor blog post about investing in St. Louis: <https://undoor.com/blog/why-st-louis-mo-is-a-great-place-to-invest-in-real-estate>

*Source: worldpopulationreview.com

**Source: roofstock.com

© 2023 Undoor Ventures | All rights reserved



Target Market

St. Louis, Missouri and suburbs offer an ideal investment market

EMPLOYMENT OPPORTUNITY

With a growing population working in the technology and knowledge sectors, and anchored by established brands like Anheuser-Busch, WWT, and Emerson, St. Louis is a mix of growing startups and Fortune 500 companies.

- Population over **2.8M** people
- Household income **grew 5.78%**
- Unemployment rate of **only 3.8%**
- **Largest metropolitan** area in Missouri

REAL ESTATE MARKET

Like many parts of the country, St. Louis real estate shows no sign of slowing down, and is increasingly competitive.

- Existing home values **up 13.5%**
- Effective apartment rent **growth 4.3%**
- Effective single-family rent **growth 5.4%**
- **Ranked #22** for total renter-occupied single-family homes
- **Ranked #15** for total housing stock

#34

Best Places for Young Professionals

#56

Places with Lowest Cost of Living

#133

Best Places to Live

#118

Most Diverse Places

#2

Best Baseball Cities

#80

Best Places to Retire

#3

Best Beer Cities

#2

Best Food Cities



Deal Sourcing

We target properties that have value-add potential

300+

DEALS REVIEWED

40

DEALS
UNDERWRITTEN

20

OFFERS MADE

6

PROPERTIES
ACQUIRED

WHAT DOES THIS MEAN FOR YOUR INVESTMENT?

300+ Deal Reviewed: Undoor receives potential acquisitions from on-market sources, off-market leads from agents, and by direct contact with property owners.

40 Deals Underwritten: The best properties and those that pass our initial investment criteria screening will be fully underwritten.

20 Offers Made: Offers are made on the best properties that have passed the detailed underwriting. Offers are made to pass or exceed target investment returns.

6 Properties Acquired: Most offers are not accepted. And those that are accepted still must survive the due diligence process, which involves physical and occupancy inspections. These are the only properties we put in front of investors.



Sample Deal

→ Cost to acquire + rehab: **\$115,136**

→ Undoor funds: **\$20,222**

→ Borrowed (your) funds: **\$94,914**

→ Funds working for: **5 months**

→ Investor (your) rate: **10%**

→ Investor (your) total returns: **\$3,955**

ARV		\$140,000			
Purchase Price		\$90,000			
Closing Costs to Buy	Transfer Tax Buy	\$1,250			
	Title Insurance	\$1,164			
	Closing Fees	\$500			
Holding Time (months)		5			
Rehab Cost		\$20,222			
Annual Taxes	\$2,300	Total Hold Time Taxes		\$958	
Monthly Insurance	\$83	Total Hold Time Insurance		\$417	
Monthly Utility	\$65	Total Hold Time Utilities		\$325	
Montly Law Minatenance	\$60	Total Hold Time Maintenance		\$300	
Closing Costs to Sell	Transfer Tax Sell	\$1,800			
	Closing Fees	\$500			
	Seller Assistance				
	Buyer Agent Fees	\$5,400			
	Seller Agent Fees				
Borrower Contributed Funds		\$20,222			
Total Funds Requested		\$94,914			
Cost of Money		Interest Rate	10%	Interest Amount	\$3,955
Profit / Equity		\$13,209			

Before & After



New bathroom

- Cost \$3,800
- Rent increase +\$200

Investment Security

We protect our investors by providing the following

→ Promissory Note

A promissory note that contains a written promise by Undoor to pay you, the investor, a definite sum of money, either on-demand or at a specified future date.



→ Deed of Trust

A deed of trust is an agreement between a home buyer (Undoor) and a lender (you) at the closing of a property. It states that the home buyer will repay the loan and that the mortgage lender will hold the legal title to the property until the loan is fully paid.



→ Recorded Documents

The promissory note attached to the deed of trust, both officially recorded into the county's official records.



→ Lender Title Insurance

Lender's title insurance that is typically required to get a traditional mortgage loan. Lender's title insurance protects you, the lender, against problems with the title to the property — for example, if someone sues to say they have a claim against the home.





How to Invest with Undoor Ventures

Join our Investor Group to reserve your spot

→ NEXT STEPS

If you wish to be notified of new investment opportunities, please follow the steps below. There is no cost to join or obligation to invest.

1. SUBMIT THE INVESTOR FORM

[Submit the investor form](#) to join our investor group and be notified of new investment opportunities. If you are a non-accredited investor, we would need to hold a brief introductory call to comply with SEC regulations.

2. TELL US ABOUT YOUR INVESTING GOALS

During your introductory call, we will answer any questions you might have about investing in real estate or any particular deal, and will talk more about how we work with investors.

3. INVEST IN A PROPERTY AND EARN PASSIVE INCOME

If you decide that a property meets your investment criteria, we will ask for a written commitment and will send you the necessary forms to invest. After closing, you will receive reports and progress updates as well as disbursements.

[Facebook](#)

[JOIN OUR INVESTOR GROUP](#)

[Instagram](#)

CONTACT US

NATHAN MURITH | invest@undoor.com | (314) 329-1428 | [Schedule a call](#)

© 2023 Undoor Ventures | All rights reserved



Glossary of Terms

ACCREDITED INVESTOR

An investor with a net worth over \$1M, not including equity in a primary home, and/or income over \$300K for at least 2 years.

ACQUISITION FEE

A fee paid for finding, analyzing, negotiating, and closing a deal.

AMORTIZATION

The paying off of a mortgage loan by making fixed payments of principal and interest over time.

APPRAISAL

The value of a property as determined by a certified appraiser, based on cost, income, and sales comparables.

AVERAGE ANNUAL RATE OF RETURN

The total return of an investment divided by the number of years it was held. E.g., a 6 year investment that returned 94% in total would have a 15.7% ARR

BUY-AND-HOLD

Buy and hold is a long-term investment strategy where an investor purchases a property and holds on to it for an extended period, usually as a rental.

CASH FLOW

Money that remains each month after paying all operating expenses, fees, and debt service.

CASH-ON-CASH RETURN

The percent of an initial investment that is returned to investors each year from cash flow. Typically 6%-12%.

DEED OF TRUST

A deed of trust is the recorded document by which a lender takes a security interest in a property.

DEPRECIATION

A decrease in value due to the wear and age. For tax purposes, residential real estate is depreciated over 27.5 years.

DISTRIBUTIONS

Returns paid to investors from cash flow or capital gain on sale.

DUE DILIGENCE

The process of reviewing all documents and conducting a physical inspection of a property.

EARNEST MONEY

Money paid by the buyer to secure a property until closing. Typically 1%-10% of purchase price.

EQUITY

The portion of a property that is owned free and clear.

FIX-AND-FLIP

Fix-and-flip is the strategy of purchasing a property, renovating it, then selling it at a profit.

INTERNAL RATE OF RETURN

The average rate of return taking into account the time value of money. If returns are earned earlier, IRR increases, and vice-versa.

LENDER TITLE INSURANCE

Lender's title insurance protects your lender against problems with the title to your property.

MARKET RENT

The amount of rent that a tenant is willing to pay each month in a given market.

MORTGAGE

A loan secured by the property for which the loan is being used to finance the purchase.

OPERATING AGREEMENT

A legal document that describes the ownership and responsibilities of all members of a LLC.

PASSIVE INVESTING

Investing capital in a business that is being managed by another party.

PRO FORMA

A forecast, typically of a property's income and expenses, over several years.

PROMISSORY NOTE

A financial instrument that contains a written promise by one party to pay another party a definite sum of money.

REFINANCE

The process of taking out a new loan on a property with new terms. If equity has grown substantially, cash can be withdrawn and returned to investors while maintaining or growing returns.

RUBS

Ratio Utility Billing System: A system whereby utilities are split amongst tenants (in multi-family).

UNDERWRITING

Analysis of trailing financial information and forecast of five years of pro forma financials to assess the potential profitability of a property.

VALUE-ADD PROPERTY

An investor with a net worth over \$1M, not including equity in a primary home, and/or income over \$300K for at least 2 years.