



## Smart Investments. Strong Communities.

MIDDLE INCOME HOUSING WITH COMPETITIVE RETURNS



The average rent for an apartment in Phoenix MSA is **\$1,577/month**. To avoid being rent burdened, tenants must earn about 3x the monthly rent, or **\$56,772/year**.

The average median income for local essential workers is **\$64,986/year**. This leaves only **\$442/month** for essential living expenses such as food, clothing, gas, insurance, and utilities.

# That's a problem!

## The Perfect Storm

### How the Phoenix Housing Crisis Creates Investment Opportunity

The roots of the Arizona housing crisis can be traced back to the fallout of the Great Recession. The late 2000s saw a severe downturn in the housing market, leading to a significant slowdown in home construction.

From 2011 to 2020, only 240,000 new housing units were built in metro Phoenix as the city continued to experience significant increases in population. This growing shortage continued to raise housing prices, effectively pricing out middle-income earners from apartment rentals and homeownership.

This series of events has unequivocally created a housing affordability crisis that represents a "once in a generation" investment opportunity in residential real estate development.



# MARKET

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## Overview

### The Phoenix Metro Housing Market

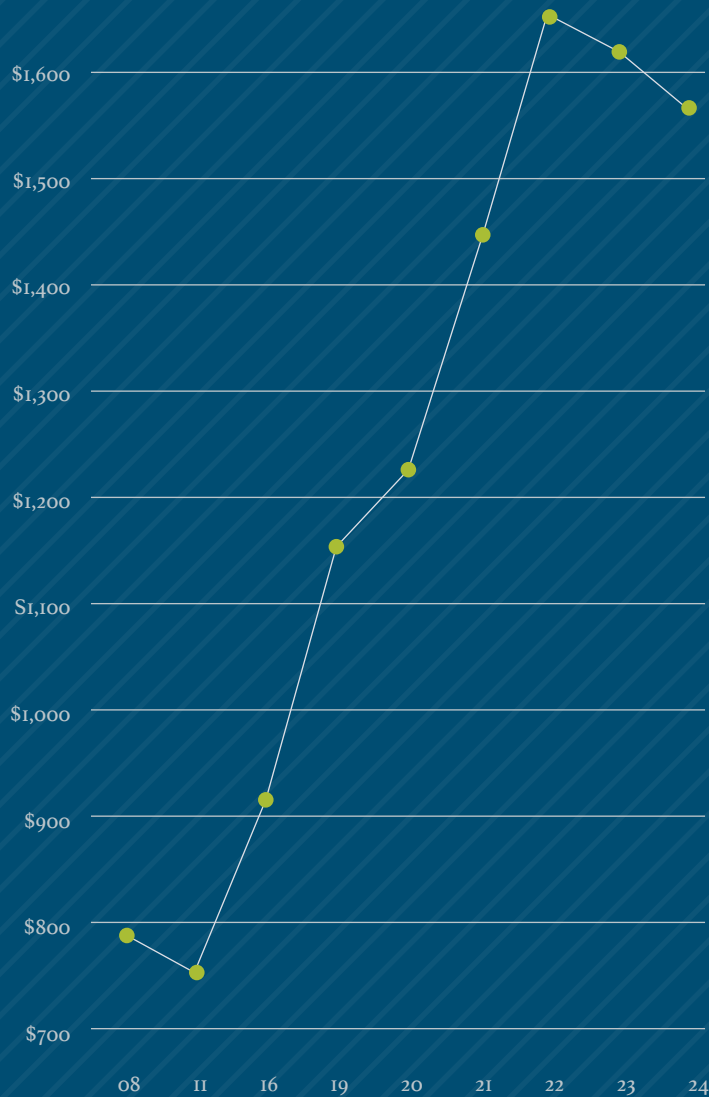
The Phoenix MSA has consistently been one of the fastest growing metros in the United States for the past few years. This tremendous growth has placed increasing levels of stress on the housing market in ways that have dramatically impacted inventory and pricing, especially in established neighborhoods.

In response, developers have continued to move to the outskirts of the metropolitan area in search of more affordable and larger tracts of land. However, the resulting sprawl has increased traffic, pollution and lengthy commutes.

To solve this housing crisis, it's important to understand this unique market and the impact of the outside events that continue to shape it.



# Average Rents in the Phoenix MSA Skyrocket



## Here's How the Middle Class Was Left Behind

### 2008 Great Recession Triggers Severe Construction Slowdown \$797 Average Rent

- Many builders stop construction due to slowing economy
- 314,000 jobs lost

### 2011 Construction Slow to Restart as Economy Rebounds \$766 Average Rent

- Rents slightly dip as economy remains sluggish
- Only 240,000 new housing units built between 2011 and 2020
- Vacancy rates decrease as new resident occupy housing inventory
- Demand and prices increase

### 2016 Arizona Population Continues to Grow \$910 Average Rent

- 268,000 people relocate from other states between 2016 and 2020
- Ongoing growth continues to place stress on inventory

### 2019 Housing Begin Sustained Price Increases \$1,202 Average Gross Rent<sup>1</sup>

- Between 2019 and 2024 prices increase 48%<sup>2</sup>

### 2020 COVID Pandemic Creates Additional Price Increases \$1,221 Average Rent

- April 2020 through May 2022 home prices rise with a 60% surge
- March 2020 through March 2022 rents increase by 29%
- Interest rates drop and push cost of single-family homes higher

### 2021 Investors Begin Buying Housing Inventory \$1,449 Average Rent

- 31% of all single-family homes are sold to investors in 2021 alone
- Arizona is second highest in nation for investor purchases
- Many local residents are priced out of the home market
- Lack of home inventory pushes rents to new highs

### 2022 Wage-Inflation Disparity Increases Costs/ Reduces Buying Power \$1,652 Average Rent

- Interest rates begin to rise reducing buying power
- Wages increased 5% while cost of essentials like food and fuel went up by 8.5%
- Flood of new Class A units raise rents on all housing types
- Young professionals and essential workers are priced out

### 2023 Prices Show Signs of Softening but Remain High \$1,611 Average Rent

- Rents dip slightly due to oversupply in some categories
- Access to affordable housing is still limited due to weak inventory
- Housing insecurity and homelessness continue to increase
- Many workers move to outlying suburbs in search of attainable housing

### 2024 State Legislation Fails to Allow More Multifamily Buildings \$1,577 Average Rent

- Many Arizona cities zone approximately 50% of land for single family homes
- Multifamily buildings are often restricted
- Cities and residents voice concerns about crime, traffic and property values

OVERALL SOURCE: FSL "Inside Arizona's Housing Crisis" 2023.  
<sup>1</sup> Department of Numbers: Phoenix, AZ Residential Rent and Rental Statistics, 2019.  
<sup>2</sup> AZ Big Media, 2020.



# The Market Challenges

## Growing Population with Few Choices and Reduced Buying Power

The Phoenix MSA is regularly referred to as one of the “fastest growing” metropolitan in the country and shows no signs of slowing anytime soon. As the population continues to increase, housing inventory and wages are failing to keep pace, forcing middle class workers to live on the Valley's more affordable outskirts, often with lengthy commutes to work.

### GROWTH

- 2021 **4,875,246**
- 2022 **4,948,431**
- 2023 **5,020,870**
- 2024 **5,070,110**

SOURCE: US Census July 2023, HSuser.gov 2025

## Income Levels Lag Behind

The Phoenix MSA continues to attract new industries and business growth, but wages make finding suitable housing a challenge for the middle class. The majority of income earners may experience some degree of risk in finding suitable housing as inflation reduces their buying power.

### PHOENIX POPULATION BY INCOME LEVEL

- **46%** Extremely low or low income
- **19%** Moderate income
- **35%** Moderate to high income

SOURCE: Phoenix Community Alliance, Condensed Housing Report

## High Occupancy Rates and Rising Rents Add Pressure

Existing middle-class housing offers few opportunities as tenants realize they don't have many options. Instead of moving, many elect to pay higher rents because there are few alternatives. The lack of tenant turnover adds pressure to the market, forcing rents higher, while higher housing costs reduce the buying power of residents, leaving less income for items like food, utilities and other necessities.

**\$84,800**

### MEDIAN HOUSEHOLD INCOME

SOURCE: 2024 Q4 2024 Realpage Multifamily Report

**6.3%**

### MULTIFAMILY VACANCY RATE (Q1/25)

SOURCE: 2024 Q4 2024 Realpage Multifamily Report

**\$121,368**

### INCOME REQUIRED FOR MEDIAN-PRICED HOME

SOURCE: Zillow

**+800,000**

### NEW RESIDENTS WELCOMED SINCE 2012

SOURCE: AZ Central, 2023

**\$1,577**

### AVERAGE RENT (PHOENIX MSA)

SOURCE: 2024 Q4 2024 Realpage Multifamily Report



## Too Many Luxury Rentals. Not Enough Middle-Class Apartments.

In response to the growing crisis, luxury Class A apartments have oversaturated the market and increased the burden of housing costs, leaving few options for middle class workers. This is especially true in established neighborhoods near employment hubs.

### MIDDLE INCOME HIT HARD BY INCREASES

- **Income Range** \$45 - \$90k annually
- **52%** of Phoenix renters are rent burdened (30%+ of income spent on rent)
- **24%** of Phoenix renters are severely rent burdened (50%+ of income spent on rent)

SOURCE: City of Phoenix Housing Needs Assessment 2024

### EFFECTS ARE FELT STATEWIDE

In Arizona, where more than 939,300 people rent their homes:

- **48.7%** are considered rent-burdened
- **24.3%** of renters are severely rent burdened

SOURCE: MSN, January 2025

### MINIMUM INCOME REQUIRED TO RENT

Incomes remain flat, while rents continue to rise, widening the gap.

- **1 BDRM:** \$47,400 (\$1,358/month)
- **2 BDRM:** \$57,300 (\$1,628/month)

SOURCE: Axios.com, 2024 Q4 2024 Realpage Multifamily Report

### CLASS A OVERSUPPLY

High income units flood the market, reducing more affordable options.

- **90% of Class A rental** units are financially suitable for the top 20% income bracket.
- **80% of new units** coming to market in large metro areas are aimed at the luxury Class A renters.

SOURCE: RealPage.com, 2024

## Single Family Homes Are Not an Option

As the housing crisis continues, middle class workers see their dream of owning a home start to slip away. Stagnant wages, increasing inflation, rising interest rates and investors entering the housing market make owning a home cost prohibitive.

### MEDIAN SINGLE FAMILY HOME PRICE **ROSE 61%**

The median price for a single-family home

- 2020: **\$295,000**
- 2024: **\$475,000**

SOURCE: Arizona Republic, ARMLS.com, January 2024

### INCOME REQUIREMENTS LEAVE MIDDLE CLASS BEHIND

- **\$3,615:** Median home mortgage
  - **\$121,368:** Income needed to qualify for a median priced home
  - **\$84,800:** Median income
- 
- **\$37,068:** Shortfall!

SOURCE: Phoenix New Times



# Why It Matters

## Middle Class Housing is the Heart of Our Local Economy

The current local housing market is reaching a critical stage for the middle class with even dual-income households struggling to find quality options. Nurses, teachers, and police officers are the new face of the Valley's housing crisis.

The crisis is showing signs of catastrophic effects on our local economy, increasing homelessness and forcing an exodus of workers essential to many neighborhoods.

These events increase stress on government budgets and public services, negatively impacting those from all walks of life.

## Welcome to “CenTria Living”

At CenTria Living, we develop passive real estate investment opportunities to address the rapidly growing, middle-income housing crisis in the Phoenix Metropolitan Statistical Area (MSA).

As a multifamily real estate firm developing “attainable housing” in the Class B (sub-100 unit) category, we offer a proven methodology in the selection, location, construction and operation of these projects.

These solutions are especially critical for middle-income tenants including young professionals, small families and essential workers who are unable to afford a home or luxury Class A properties in their communities.

Modern floorplans, quality construction, desirable locations with realistic rents. Some call it the answer to the middle-class housing crisis. We like to call it “CenTria Living.”





# Attainable Housing is NOT Subsidized Housing

## This is the Address of the Middle Class

Attainable housing is best described as "essential middle-class housing" (Class B).

It should not be confused with low-income, affordable or subsidized options.

Class B housing is defined as a budget-conscious, high-quality and desirable living option for young, middle-class families, working professionals and essential workers (nurses, bartenders, teachers, fire fighters, etc.).

Rents are priced for renters with moderate incomes, typically 60% - 100% of the Average Median Income (AMI).





# Middle Income Workers Have Few Options

## Low Wages, High Rents and Lack of Inventory

The monthly financial obligation to rent or own a home in the Phoenix MSA is out of reach for many. A quick glance at the numbers and it's easy to see the disconnect between earnings and housing options.



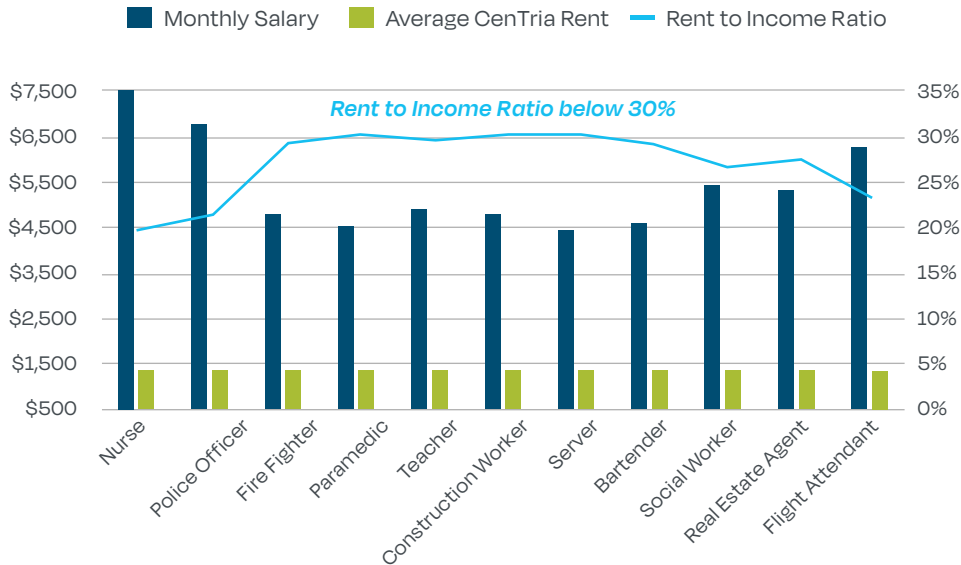
### INCOME COMPARISON

**MEDIAN INCOME** **\$84,800**

ESSENTIAL WORKER	SALARY
Nurse	\$91,000
Police Officer	\$81,000
Fire Fighters	\$57,000
Paramedic	\$50,670
Teacher	\$59,000
Construction Worker	\$57,800
Server	\$50,000
Bartender	\$52,000
Social Workers	\$65,500
Real Estate Agents	\$64,000
Flight Attendants	\$75,000

SOURCE: Bureau of Labor Statistics

### SALARY TO RENT COMPARISON

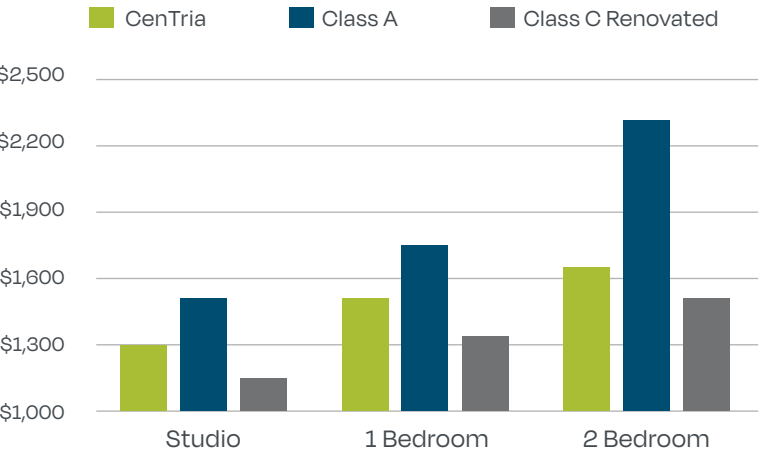


# We Build Apartments for the Middle Class

## Quality Construction in Prime Locations With Attainable Rents

When it comes to monthly rent, CenTria offers brand new, modern units in desirable neighborhoods at attainable rents middle income workers can afford.

### AVERAGE RENT COMPARISON



SOURCE: Real Page



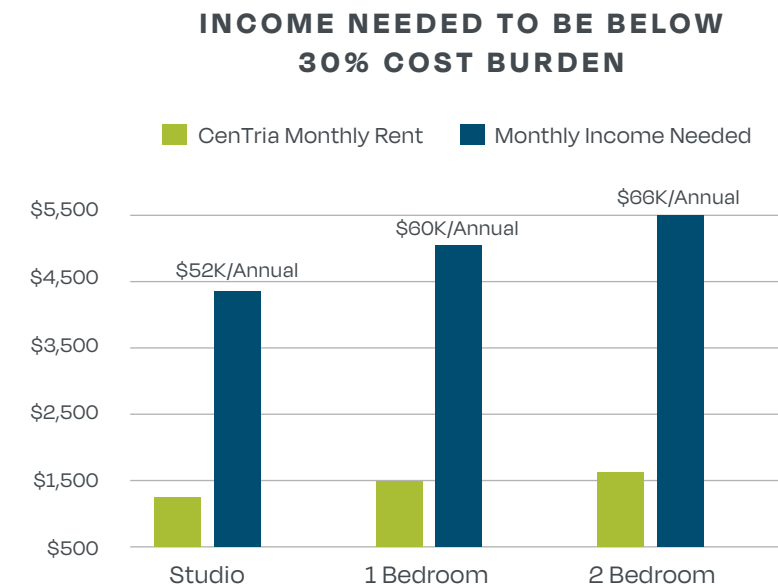




# Working to Live...

## Essential Middle Class Wages vs Rent

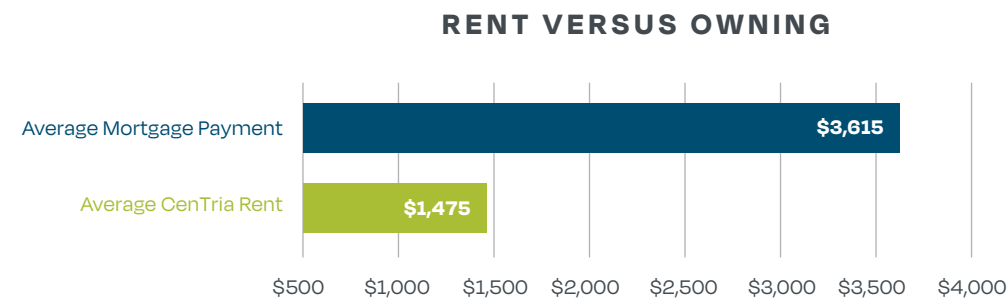
CenTria provides attainable rents, enabling tenants to enjoy quality housing while having enough income for essentials like food, clothing, utilities, entertainment, and more.



# or Living to Work?

## Home Ownership is Already Out of Reach for Many

When comparing renting vs home ownership, most essential middle-class workers do not make enough income to pay rent and save for a downpayment on a home.





# CenTria Living

## Built for Exceptional Value Without Compromise

### Innovative Design and Streamlined Construction Deliver Stable Returns

We maximize value for our tenants and investors by utilizing a unique approach to property design and construction. Our architectural innovation, efficient construction processes, and strategic use of smaller floor plans enable us to deliver exceptional residences at a lower cost, proving that quality and affordability can go hand in hand.

These cost-cutting measures are passed along to our tenants and investors through lower build costs. This allows us to charge an attainable rent to middle-class workers while also generating risk-adjusted returns to our investors.





# Every Problem Presents an Opportunity

## Our Unique Solution is a Smart Investment

CenTria Living has developed a proven approach to the creation of essential middle-class housing that overcomes the traditional challenges to multifamily development.

### SELECTING INFILL LOTS

- Smaller parcels in more desirable areas
- Lower land cost with existing infrastructure
- Desirable locations, attainable rents

Communities most in need of essential middle-class housing are often infill, core neighborhoods. However, traditional multifamily developers tend to look for very large tracts of less expensive land in areas that are remote, under-developed and often lacking infrastructure.

At CenTria, we seek out urban, infill tracts of land that are suitable for smaller sub-100-unit, multifamily communities. These locations are often in desirable neighborhoods with locations close to employment, education and transportation.



### DESIGNING FOR EFFICIENCY

- Reduced labor and material costs
- Smaller floor plans and limited options
- Value engineering, cutting edge design

We believe that effective construction begins with a systematic approach. This involves designing units in ways that optimize the construction process, while minimizing the cost of materials.

By sharing a common philosophy with our builder partners, our designs incorporate high-quality construction materials and modern designs. As a result, residents enjoy an improved living experience at a reasonable rent, while investors benefit from reduced project costs and higher returns.



### REDUCING COSTS NOT QUALITY

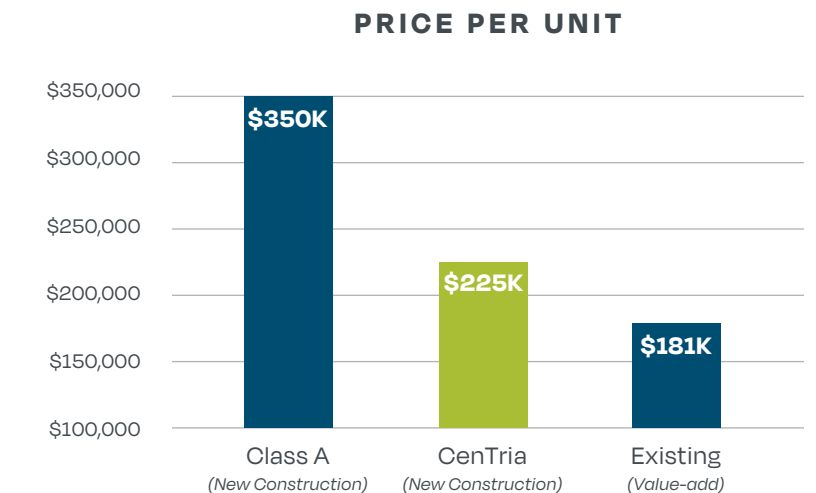
- Smart construction methods
- Strong supplier relationships
- High quality materials

Our visionary construction partners understand and integrate market trends, investor goals, long-term sustainability and community needs in ways that elevate project success.

Using experience and vision, they create unique building methods and processes that add tremendous value in ways that go far beyond the blueprints.



### LOWER CONSTRUCTION COSTS LEAD TO SUBSTANTIAL SAVINGS



SOURCE: Marcus & Millichap



# Investments With a Unique Approach



## EQUITY INVESTMENT

CenTria Living is financially invested in every project



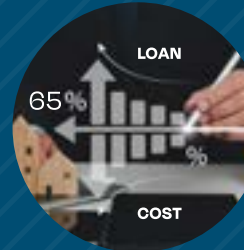
## LOW-COST BASIS

Build costs are contained through efficient designs and value engineering



## RISK-ADJUSTED RETURNS

Strategic structuring, data-driven decision-making and mitigation tactics reduce risk profile



## CONSERVATIVE LEVERAGE

Maximum 65% loan-to-cost (or less) for construction financing



## COMPETITIVE RENTS

Provides quality and cost-effective housing with attainable rents to middle income tenants



## SUSTAINABLE CONSTRUCTION

Eco-conscious building practices to minimize environmental impact

# Optimizing Returns Starts with Smart Management

Today's renters place a higher value on meaningful experiences over material excess.

## EXCEPTIONAL CUSTOMER SERVICE

Create a culture of responsiveness by establishing open channels for communication and anticipating tenants' needs

## COMMUNITY ENGAGEMENT

Create optimized living experiences by hosting vibrant community events, leveraging interactive online platforms, and fostering connectivity

## LONG-TERM RETENTION

By delivering outstanding customer service and nurturing a vibrant sense of community, we will reduce turnover and cultivate long-term tenant loyalty





# Your Investment Opportunity

## Ongoing Inventory Demand Stabilizes Returns

CenTria approaches real estate development with an investor mindset. This means looking for proven tax strategies to provide our investors with self-directed opportunities to maximize their returns. Depending on the type of project and your financial goals, there may be several options to mitigate risk and limit tax exposure on your investment.

### CAPITAL STRUCTURE

We design our investment strategy with a careful balance of equity and debt to promote financial stability while effectively minimizing potential risks. By opting for a lower level of leverage, we enhance our ability to navigate market fluctuations with agility. This approach not only provides us with the flexibility to respond to changing economic conditions but also opens up more favorable financing opportunities when it's time to refinance the construction loan. This strategic method ensures that we are well-positioned to maximize our returns while safeguarding our investments.

### COST SEGREGATION STUDIES AND BONUS DEPRECIATION

Some investors may benefit from taking larger upfront tax deductions by allocating portions of a property's shorter-lived assets. This may include fully deducting eligible development assets in the year they are placed into service as a means of reducing tax exposure.

### 1031 EXCHANGE-ELIGIBLE PROPERTIES

These types of investments allow real estate investors to defer capital gains taxes when selling an investment property by reinvesting those proceeds into another "like-kind" property instead of cashing out. This approach allows investors to grow wealth faster by delaying capital gains taxes and the process can be repeatable as long as the property type and strict timelines are followed.

*Be sure to consult your advisor to better understand how these concepts may impact your individual investment needs and financial goals.*

# Building a Stronger Community

## Investor Benefits Go Beyond the Bottom Line

Many of today's investors look for projects that make a positive social impact. Developing a viable solution to the attainable housing crisis is more than a passive investment opportunity, it also provides a host of life-changing benefits to residents, neighbors, businesses, governments and communities-at-large.

**+ LOCAL POPULATION:** More diverse and stable local populations are attracted to essential middle-class housing through access to new multi family housing options.

**+ LOCAL ECONOMY:** New housing options close to work strengthens neighborhood economies from within as spending stays close to home.

**+ LOCAL TAX BASE:** Increasing property tax revenue from essential middle-class housing expands the local tax base associated with resident economic activity.

**+ EMPLOYER RECRUITMENT:** Local and essential middle-class housing populates nearby employment pools with a stable workforce for local job creation and business growth.

**+ ENVIRONMENT:** The development of essential middle-class housing on infill lots reduces the need for long commutes while reducing pollution, traffic congestion and urban sprawl.

**+ COMMUNITY REVITALIZATION:** Development of essential middle-class housing can breathe new life into underutilized or blighted areas to renew pride and investment in the local community.

**+ QUALITY OF LIFE:** Essential middle-class housing increases financial security and lifestyle stability with more free time for residents.

**+ EDUCATION:** Local school districts are bolstered by essential middle-class housing through increased enrollment and increased funding stability from local property taxes.

**+ SMALL BUSINESS:** Small businesses grow by leveraging essential middle-class housing with greater access to an expanding local customer base and pool of potential workers.



# Team and Expertise



**Justin Britto**  
CenTria Living  
Founding Partner – Development  
602.290.8005  
Justin@CenTriaLiving.com

With over 15 years of experience in real estate investment, Justin Britto has built a reputation for strategic vision and delivering results. His strengths include deal sourcing, capital structuring, investor relations, and asset management, making him a well-rounded leader throughout the investment lifecycle.

Mr. Britto excels in identifying high-potential assets and unlocking value through strategic acquisitions and active management. He has successfully structured debt and raised equity from private investors, navigating complex capital structures to bring deals to fruition.

Additionally, Mr. Britto emphasizes investor alignment through clear communication, transparency, and a data-driven approach to performance tracking, ensuring assets are actively managed for long-term value creation.



**Brian Boubek**  
CenTria Living  
Founding Partner – Investments  
602.750.1095  
Brian@CenTriaLiving.com

Brian Boubek is a visionary entrepreneur renowned for his founding role and impactful tenure as the former CEO of CEA CAPA, a distinguished leader in study abroad programs and global internships. Under his leadership, CEA CAPA flourished, evolving from a modest startup into a globally recognized organization with a presence in 20 countries, enriching the academic journeys of over 7,000 students annually.

Beyond his significant contributions to education, Brian has established himself as a prominent real estate investor since the early 2000s. He has strategically directed over \$70 million into diverse and transformative projects across vibrant markets in Phoenix, Europe, and Latin America. His investments not only reflect his keen business insight but also underscore his commitment to fostering local economic development and creating opportunities. Brian's multifaceted impact continues to shape the landscape of global education and economic growth.



# Building On Our Strong Reputation



## Every Project Tells a Story

CenTria was formed as a small, real-estate development firm that saw opportunity in the Phoenix housing market. Starting with refurbishing small multifamily apartments to realize their untapped investment potential, the company consistently earned the confidence of investors through ingenuity, quality and transparency.

Powered by the success of multiple properties, we evolved our proven approach to address the local housing crisis through new multifamily construction for the middle class. The results are injecting capital, creating jobs and building housing for essential workers, while delivering on the promise of investor returns.

PROPERTY NAME	Units	Year Built	Year Acquired	Year Sold	Hold Time	Purchase Price/Development Cost	Sale Price	Equity Multiple	IRR	Type	Status
The Quad	8	1963	2019	2022	25 months	\$1,440,000	\$2,600,000	2.57x	42.00%	Value Add	SOLD
CenTria on Maryland	8	1963	2019	2021	22 months	\$1,625,000	\$3,315,000	2.53x	39.00%	Value Add	SOLD
CenTria on the Rail	18	1965	2021	2022	18 months	\$3,420,000	\$5,150,000	2.16x	43.00%	Value Add	SOLD
CenTria @ Melrose	8	1963	2020	2021	12 months	\$1,200,000	\$2,000,000	1.93x	50.00%	Value Add	SOLD
The V	11	1965	2020	2021	11 months	\$1,930,000	\$2,750,000	1.80x	53.00%	Value Add	SOLD
							Projection	Projection	Projection		
CenTria @ North Mountain	32	1985	2024	TBD	48 months	\$4,300,000	\$7,300,000	2.19X	28.00%	Value Add	HOLDING
							Projection	Projection	Projection		
NEW CONSTRUCTION							Projection	Projection	Projection		
CenTria @ Encanto	18	2024		TBD	60 months	\$6,900,000	\$8,750,000	2.26X	21.00%	BTR Development	HOLDING
							Projection	Projection	Projection		
IN DEVELOPMENT							Projection	Projection	Projection		
CenTria @ Deer Valley	34	2026		TBD	60 months	\$8,000,000	\$11,550,000	2.32X	24.00%	Class B Attainable	
CenTria @ Biltmore	36	2026		TBD	60 months	\$8,900,000	\$12,150,000	2.27X	22.00%	Class B Attainable	
CenTria @ Deer Valley 2	36	2026		TBD	60 months	\$8,200,000	\$11,450,000	2.30X	22.00%	Class B Attainable	



# Strategic Partner Architecture



ARCHITECTURE / PLANNING / INTERIORS

## Mark Tomecak

Principal  
Tomecak Design

Mark Tomecak founded Tomecak Design as a full-service architecture firm specializing in design, space planning, permitting, and construction management. Based in Scottsdale, Arizona, his firm is known for its impressive portfolio, featuring over twenty years of commercial, residential, multifamily, mixed-use, remodels, and tenant improvement projects.

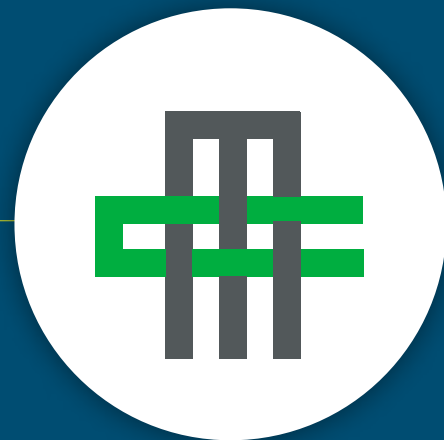
This firm offers a unique approach to design that manages time, resources and client expectations. Mark believes being on-site and having detailed knowledge of all decisions on the project helps to control costs and streamline decision-making, while minimizing or eliminating delays. As a result, this puts the team in the best position to design the optimal solution ensuring clients are comfortable throughout the course of the project.





# Strategic Partner

## Asset Management



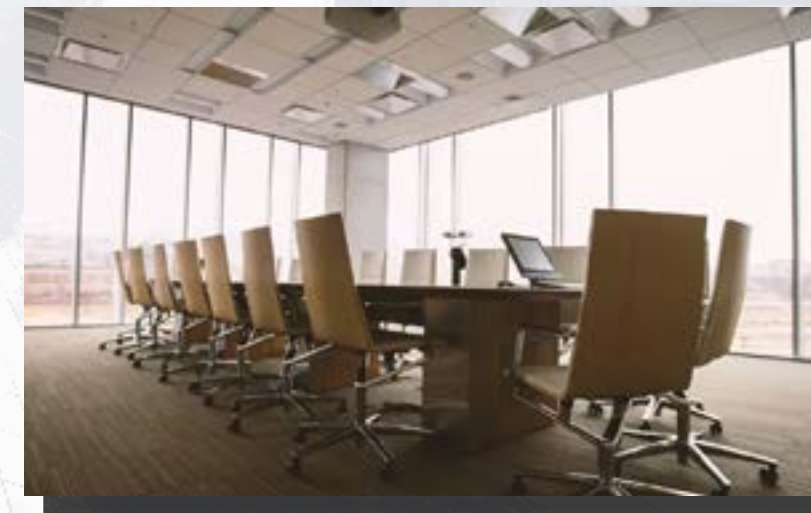
### ASSET MANAGEMENT

## Brady Bocks

Head of Asset Management  
CapAM (CapMatrix)

Brady Bocks leads CapMatrix Asset Management ("CapAM") in providing top tier asset and portfolio management services for owner/operators, funds, family offices, and developers throughout the Southwest. With personal experience in real estate debt, equity and structured credit asset and portfolio management Brady leads the CapAM in providing offerings ranging from proprietary reporting and cash flow modeling to underwriting/ re-underwriting, market research, business plan execution and beyond.

Cap AM's knowledge and expertise of the industry standard for asset reporting and management defines the firm as a proven strategic partner to clients who benefit from a third-party solution. This firm plays a vital role in the successful development of any real estate project.





Other  
Strategic  
Partners

BROKERS



LENDERS



ASSET MANAGEMENT



CONSTRUCTION



PROPERTY MANAGEMENT





# Smart Investments Build Stronger Communities

Addressing the demand for essential middle-class housing is critical to our future. As specialists in the development of multifamily real estate, we leverage our professional experience and local roots in creating viable solutions to this crisis. The results revitalize our communities from the inside out.

As investors, we insist on full transparency and open communication. As developers, we believe in smart design and quality construction. And as members of our community, we look for opportunities to revitalize our neighborhoods, while improving the lives of the middle class who bring them to life.

If you're looking for a strong, passive income investment opportunity with a solid return that you can feel good about, we invite you to talk with us.

**CenTriaLiving.com**







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Founding Partner — Development

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**Brian Boubek**

Founding Partner — Investments

602.750.1095 • [Brian@CentriaLiving.com](mailto:Brian@CentriaLiving.com)

**[CentriaLiving.com](http://CentriaLiving.com)**