

REO Opportunity!



2732 Rio Linda Blvd, Sacramento, CA 95815

Exclusively Listed by the:

Apartment Advisory Team

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Investment Highlights:

- Value Added Investment Opportunity
- Bank REO

Property Description:

The 26 units are now listed at \$23,077 per unit, a 11.04% Cap Rate on stabilized income and expenses. The Seller is motivated to sell this property as they recognize it requires hands-on management. Seller does not offer financing for their REO properties, there are conventional sources for obtaining financing that will require at least 40% down, experience owning and managing similar apartment properties and excellent credit history.



Apartment Interior Amenities

- Electric Range
- Frost Free Refrigerator
- Wall mounted gas heater and individual wall mounted air conditioning
- Common Hot Water Heater

Site Characteristics

- Net Site Size - .70 acres
- 1 Two Story Building
- Roof Type - Pitched, Composition Shingle
- Construction Type – Wood Frame; Slab Foundation

Common Area Amenities

- One Laundry Facility Owned by Landlord
- Total Parking – 30 uncovered spaces
- Rental Office - Stand Alone

Utilities Responsibility

- Resident Pays Electricity
- Resident Pays Gas
- Landlord Pays Sewer
- Landlord Pays Trash Removal
- Landlord Pays Water

Utilities Provided By

- Electric - SMUD
- Water - Sacramento Suburban Water District
- Gas – PG&E



Suggested Value	\$	600,000
Price Per Unit	\$	23,077
Price Per SF	\$	41.21
GIM		3.34
Cap Rate		11.04%

Loan Amount	\$	360,000
Rate		6.5%
LTV		60.0%
DSCR		1.35
Description		Fixed 10 Year Loan

UNIT MIX

UNIT TYPE	# UNITS	SQ. FT.	TTL SQ. FT.	AVG. RENT	MO. INCOME	AVG. PSF
1BD/1BA	26	560	14,560	\$ 575	\$ 14,950	\$ 1.03
Total/Avg.	26	560	14,560	\$ 575	\$ 14,950	\$ 1.03

ANNUAL INCOME AND EXPENSE

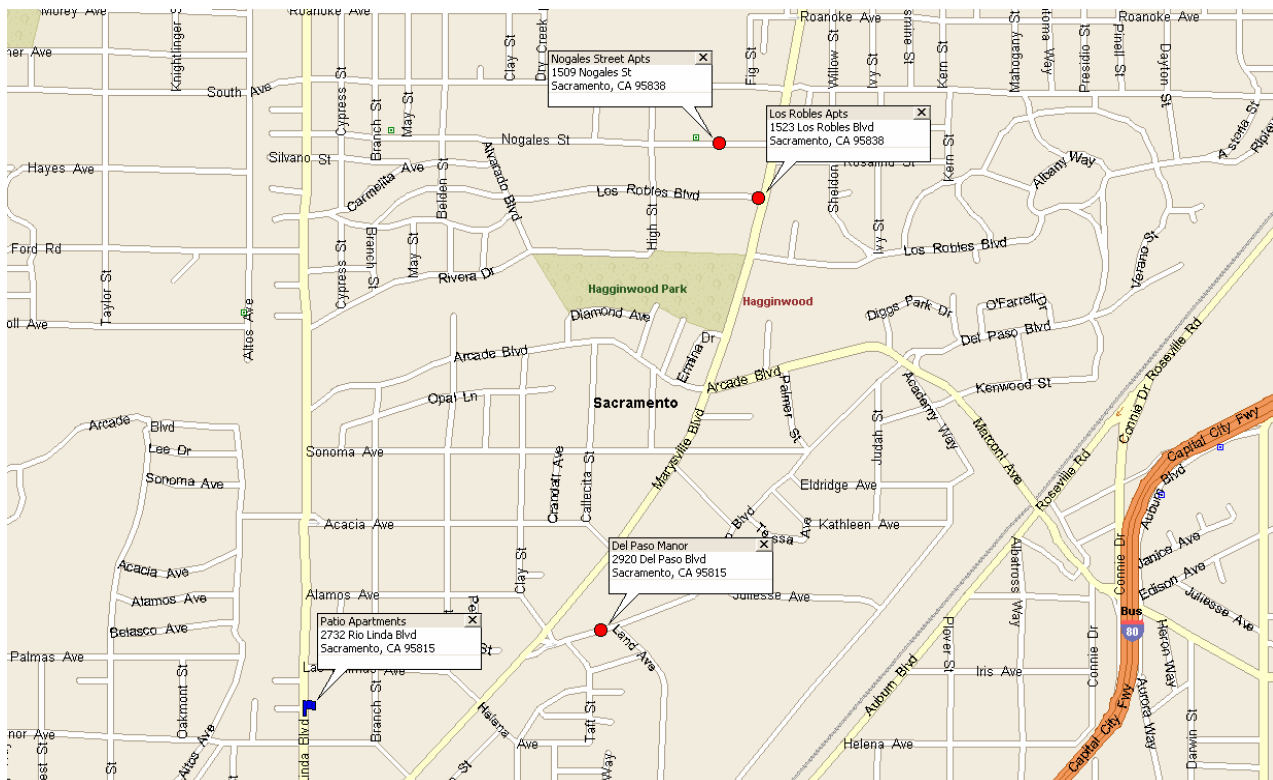
				<u>Current - Estimated</u>	
Gross Scheduled Income			\$	179,400	
Loss to lease			\$	-	0.0%
Gross Potential Income			\$	179,400	
Less: Vacancy/Models			\$	(26,910)	-15.0%
Less: Concessions			\$	-	0.0%
Effective Rental Income			\$	152,490	
Other Income - Misc.			\$	2,500	
Total Income			\$	154,990	100.0%
Advertising & Marketing	\$	96	\$	2,500	1.6%
Payroll, Taxes & Benefits	\$	277	\$	7,200	4.6%
Administrative Expenses	\$	135	\$	3,500	2.3%
Utilities	\$	780	\$	20,280	13.1%
Management Fee	\$	462	\$	12,000	7.7%
Apartment Turnover	\$	481	\$	12,500	8.1%
Maintenance & Repair	\$	769	\$	20,000	12.9%
Insurance	\$	175	\$	4,550	2.9%
Property Tax	\$	239	\$	6,219	1.1%
Total Operating Expenses			\$	88,749	57.3%
Expenses Per Unit			\$	3,413	
Expenses Per Sq. Ft.			\$	6.10	
Net Operating Income			\$	66,241	42.7%

REQUIRED EQUITY, NET CASH FLOW & RETURN

Acquisition Price	\$	600,000
New Loan Amount	\$	(360,000)
New Loan Fee	\$	3,600
Equity Required	\$	243,600
Cash Flow		
Reserved NOI	\$	66,241
Debt Service	\$	(27,158)
Net Cash Flow	\$	39,083
Buyer's Return on Investment / Yield		16.04%

Patio Apartments Rental Comparables

									
Prop. Name	Los Robles	Nogales Street	Del Paso Manor						
Property Address	1523 Los Robles Sacramento, CA 95815	1509-1511 Nogales St. Sacramento, CA 95815	2920-2926 Del Paso Sacramento, CA 95815						
Units	30	16	18						
Age	1960	1960	1959						
Occupancy	90% (May 2009)	100% (Feb 2008)	94% (May 2009)						
Parking	Open	Open	Open						
W / D	Common	Common	Common						
Water Heater	Common	Common	Common						
Utilities	Gas & Elec paid by tenant	Gas & Elec paid by tenant	Gas & Elec paid by tenant						
	Rent	SF	\$/SF	Rent	SF	\$/SF	Rent	SF	\$/SF
1 x 1	575	600	\$.98	\$550	550	\$1.00	\$625	600	\$1.04
2 x 1				\$650	650	\$1.00	\$750	750	\$1.00



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