

West View Apartments

U.S. Multifamily Investment Opportunity

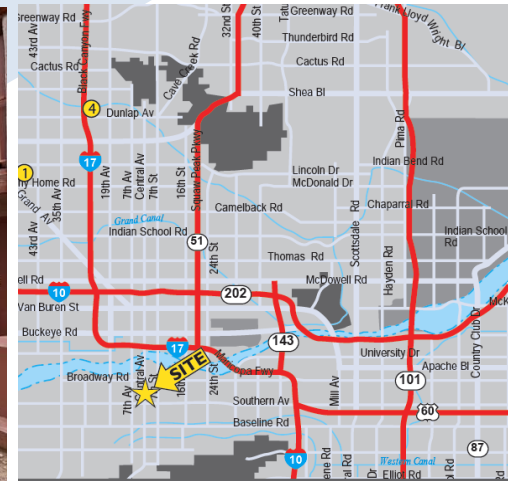
Site Description

40 East Sunland Rd,
Phoenix, AZ

Number of Units: 117
Year built: 1988
Number of Buildings: 8
Number of Stores: 2
Net Rentable SF: 91,120
Parcel Size: 3.41 Acres
Foundation: Concrete
Framing: Wood

- Great location in Phoenix
- Rare Add-value Opportunity
- Mostly Desirable Two-Bedroom Floor Plans
- Individually Metered for Electricity
- Individual roof mounted HVAC units

- Swimming Pool
- On-Site Laundry Facility
- Major Employers: American Express, Blue Cross & Blue Shield, Arizona Public Service, Exodyne, Western Intl. University



For information or inquiries about this investment or other opportunities, you can contact us at info@cashflowforlife.ca 604.648.8719 www.cashflowforlife.ca

Summary

Project cost \$2,851,000
Down payment + rehab \$1,020,000
Cashflow per year* 10%
ROI per year * 22%

*Based on 5 year projection

Investment Projections Summary

Year 1 Cash flow	\$18,853	2%
Year 2 Cash flow	\$71,935	7%
Year 3 Cash flow	\$119,394	11%
Year 4 Cash flow	\$134,729	13%
Year 5 Cash flow	\$151,761	15%
Equity Appreciation over 5 yrs	\$834,089	
Total Return on Investment over 5 yrs	\$1,330,744	130%
The potential returns are based on a fully subscribed \$1,020,000.		

Unit Mix

Type	Number	Size
1 bed 1bath	33	524
2 bed 1 bath	64	876
2 bed 2 bath	20	876

PROPERTY OVERVIEW

West View is located at 40 East Sunland Drive. The property is situated one block east of Central Avenue, a major north-south thoroughfare running through the center of Phoenix, Arizona. Sources of employment include the retail developments along Central Avenue, and the downtown central business district of Phoenix, which is approximately four miles to the north. West View is also convenient to public transportation, with bus service provided along Central Avenue.

West View is also convenient to public education with South Mountain High School and Sunland Elementary one-half mile west of the property. Neighborhood shopping is available at the Foothills Shopping Center (anchored by Phoenix Ranch Market) one-half mile south of the property. There is also a Food City grocery store one mile southwest of the property. Residents have access to a close-by YMCA and City of Phoenix swimming pool. There are several parks in proximity to West View.

MARKET OVERVIEW

Phoenix is in the heart of the fastest growing region in the country, serving all the major markets in the western United States. With a population of more than 1.5 million, Phoenix is the fifth largest city in the country and serves as the centerpiece for almost 4.2 - 4.4 million people in the metropolitan area. The city's location is ideal for service not only to the Southwest, but also to southern California and the international markets.

BUSINESS PLAN

The initial holding period of West View Apartments is 5 years. During that time, capital improvements will be made inside and outside the rental suites which will enhance the attractiveness of the apartment complex. In total, \$551,000 dollars has been set aside for this purpose. This will allow us, over time, to raise the amount of rent being charged which will boost the value of the property. We anticipate the demand for rental units to strengthen as the local economy creates more jobs and recovers from the last economic recession. With a strong management team in place, we expect the apartment complex to continue to experience high occupancy levels and produce strong cash flow from operations.



Proforma Income Statement (stabilized*)

<u>INCOME:</u>	Assumption	
Gross Scheduled Rent		\$738,600
Less Vacancy Allowance	10%	(\$7,3860)
Total Rental Income	90%	\$664,740
Other Income		\$19,375
<u>Operating Income</u>		<u>\$684,115</u>

<u>EXPENSES:</u>	Per Unit	Total
<u>Total Expenses</u>	(\$3,550)	(\$415,350)

NET OPERATING INCOME \$2,207 \$268,765

Debt Service (1st Mortgage): (\$148,456)

Cash on Cash return: 11% **\$120,309**

*All calculations are based on current projection

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RENTAL COMPARABLES



NAME	SUBJECT WEST VIEW	NO. 1 ARBOR VILLAGE	NO. 2 MOUNTAIN VISTA	NO. 3 CORTE LINDA	NO. 4 DUE SOUTH
Address	40 E. Sunland Ave.	8028 S. Central Ave.	358 E. Roser Rd.	1630 E. Baseline Rd.	8818 S. Central Ave.
City, State Zip	Phoenix, AZ	Phoenix, AZ	Phoenix, AZ	Phoenix, AZ	Phoenix, AZ
Total Apartments	117	225	190	117	1986
Occupancy Rate	60%	95%	85%	96%	80%
Year Built	1988	1986	1962	1984	1986
Concession	\$99 move-in	\$99 move-in	\$99 move-in; \$299 move-in, 3 Bed	\$199 move-in	\$199 move-in
1 BEDROOM / 1 BATH	33	108	44	61	108
Square Feet	524	540 / 575	750	603	432 / 560
Rent Rate	\$425	\$459	\$459	\$500	\$358
Rent Per Sq. Ft.	\$0.81	\$0.85 / \$0.80	\$0.61	\$0.83	\$0.83 / \$0.64
2 BEDROOM / 1 BATH	64	-	72	56	12
Square Feet	876	-	896	890	704
Rent Rate	\$495	-	\$519	\$650	\$500
Rent Per Sq. Ft.	\$0.57	-	\$0.58	\$0.73	\$0.71
2 BEDROOM / 1.5 BATH	20	61	-	-	-
Square Feet	876	822	-	-	-
Rent Rate	\$525	\$598	-	-	-
Rent Per Sq. Ft.	\$0.60	\$0.73	-	-	-

SALES COMPARABLES



1



2



3



4



5

NAME	NO. 1 MARYLAND LAKES	NO. 2 SAN MARINA	NO. 3 SHADOW PALMS	NO. 4 DESERT SUN	NO. 5 ASPEN RIDGE
Location	4748 W. Sierra Vista Dr.	7002 W. Indian School Rd.	6320 N. 63rd. Ave.	2641 W. Butler Dr.	820 E. Brown Rd.
City	Glendale	Phoenix	Glendale	Phoenix	Mesa
Total Apartments	196	400	56	75	96
Unit Mix	76 - 1 Bd 120 - 2 Bd	120 - 1 Bd 280 - 2 Bd	28 - 1 Bd 28 - 2 Bd	15 Studio 15 - 1 Bd 45 - 2 Bd	16 - 1 Bd 80 - 2 Bd
Year Built	1984	1986	1963	1972	1972
Sales Price	\$5,150,000	\$9,009,000	\$1,230,000	\$1,800,000	\$2,208,000
Price / Unit	\$26,276	\$22,523	\$21,964	\$24,000	\$23,000
Price / SF	\$33.35	\$30.08	\$33.66	\$29.59	\$25.09
Close of Escrow	3/28/2011	3/1/2011	5/16/2011	4/28/2011	4/11/2011