

# LAKEWOOD PARK

9423-9483 W. ALAMEDA AVENUE | LAKEWOOD, CO 80226

**INI** THE NEWELL TEAM



**Confidential Offering Memorandum**

 **PINNACLE**  
REAL ESTATE ADVISORS

# Lakewood Park Apartments

9423-9483 W Alameda Avenue

Lakewood, CO 80226

 THE NEWELL TEAM

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One Broadway, Suite A300

Denver, Colorado 80203

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[www.PinnacleREA.com](http://www.PinnacleREA.com)

# EXECUTIVE SUMMARY





## Lakewood Park Apartments

9423-9483 W. Alameda Ave, Lakewood, CO 80226

Units:	24
Year Built:	1971
List Price:	\$4,050,000
Price/Unit:	\$168,750
Price/SF:	\$177.26
Building Type:	Brick
Building Size:	22,848 SF
Lot Size:	1.26 Acres
Roof:	Shingle
Heating:	Hot Water Boilers
Parking:	12 Individual Garages & Ample Off-Street Parking
Proforma CAP Rate:	6.56%
Proforma Cash on Cash Return:	8.01%
Proforma Total Return:	12.85%

### Property Features

- All Large 2Bd/1Ba Units with Front & Back Entrances
- 12 Garages and an On-Site Office on Large, 1.26 Acre Lot
- 6.56% Proforma CAP Rate
- Phenomenal Location:
  - Walking Distance to Colorado Christian University, Lakewood Park and Denver Federal Center
  - Less than 2 Miles to Belmar Shopping District, Denver Federal Center Light Rail Station and St. Anthony Hospital
  - 1.5 Miles to Highway 6 (6th Avenue)

# Property Overview



# FINANCIAL ANALYSIS



# Income & Expenses Analysis



UNIT MIX AND AVERAGE RENT SCHEDULE								
UNIT TYPE	No. of Units	Approx. SF	Current Rent	Monthly Income	Current Rent/SF	Pro Forma Rent	Monthly Income	Pro Forma Rent/SF
2 Bed 1 Bath	24	850	\$934	\$22,415	\$1.10	\$1,200	\$28,800	\$1.41
<b>TOTAL</b>	<b>24</b>	<b>20,400</b>		<b>\$22,415</b>			<b>\$28,800</b>	

INCOME		CURRENT	PRO FORMA
<b>Gross Potential Rent</b>		<b>\$268,980</b>	<b>\$345,600</b>
Other Income			
Utility Reimbursement	(Actual - Current Rent Roll Annualized)	\$14,964	\$14,964
Laundry Income	(Actual - 2017)	\$4,829	\$4,829
Garage Income	(Actual - Current Rent Roll Annualized/ Est: \$125/Garage/Mo)	\$7,200	\$18,000
<b>Total Other Income</b>		<b>\$26,993</b>	<b>\$37,793</b>
<b>Gross Potential Income</b>		<b>\$295,973</b>	<b>\$383,393</b>
Vacancy/Collection Loss	(Estimated)	5.00% (\$13,449)	5.00% (\$17,280)
<b>EFFECTIVE GROSS INCOME</b>		<b>\$282,524</b>	<b>\$366,113</b>

EXPENSES		CURRENT	PRO FORMA
Taxes	(Actual - 2018)	\$12,763	\$12,763
Insurance	(Quote - Amalgamated Insurance)	\$7,252	\$7,252
Water & Sewer	(Actual - 2017)	\$25,110	\$25,110
Gas & Electric	(Actual - 2017)	\$11,105	\$11,105
Trash	(Actual - 2017)	\$3,886	\$3,886
Maint. & Repairs	(Estimated: \$650/Unit/Yr)	\$15,600	\$15,600
Telephone	(Actual - 2017/Estimated)	\$869	\$0
Management Fee	(Actual - 2018/Estimated: 6%)	\$0	\$21,967
Administrative	(Actual - 2017)	\$2,637	\$2,637
<b>TOTAL EXPENSES</b>		<b>\$79,222</b>	<b>\$100,320</b>
Expenses per Unit		\$3,301	\$4,180
Expenses per SF		\$3.88	\$4.92
% OF EGI		28.0%	27.4%
<b>NET OPERATING INCOME</b>		<b>\$202,302</b>	<b>\$265,793</b>

# Pricing Analysis



## Investment Summary

Price:	\$4,050,000
Price/Unit:	\$168,750
Price/SF:	\$177.26
Proforma CAP Rate:	6.56%

## Proposed Financing

Loan Amount:	\$3,037,500
Down Payment:	\$1,012,500
Interest:	4.50%
Amortization:	30 Years
Monthly Payment:	(\$15,391)

## Current

### CASH FLOW INDICATORS

Net Operating Income		\$203,302
Debt Service		(\$184,687)
Net Cash Flow	1.84%	\$18,615
Principal Reduction		\$49,002
Total Return	6.68%	\$67,617

### VALUE INDICATORS

CAP Rate		5.02%
Price Per Unit		\$168,750
Price Per Foot		\$177.26

## Pro Forma

### CASH FLOW INDICATORS

Net Operating Income		\$265,793
Debt Service		(\$184,687)
Net Cash Flow	8.01%	\$81,106
Principal Reduction		\$49,002
Total Return	12.85%	\$130,108

### VALUE INDICATORS

CAP Rate		6.56%
Price Per Unit		\$168,750
Price Per Foot		\$177.26





# SALES COMPARABLES



# Comparable Sales



## Lakewood Park Apartments 9423-9483 W Alameda Avenue

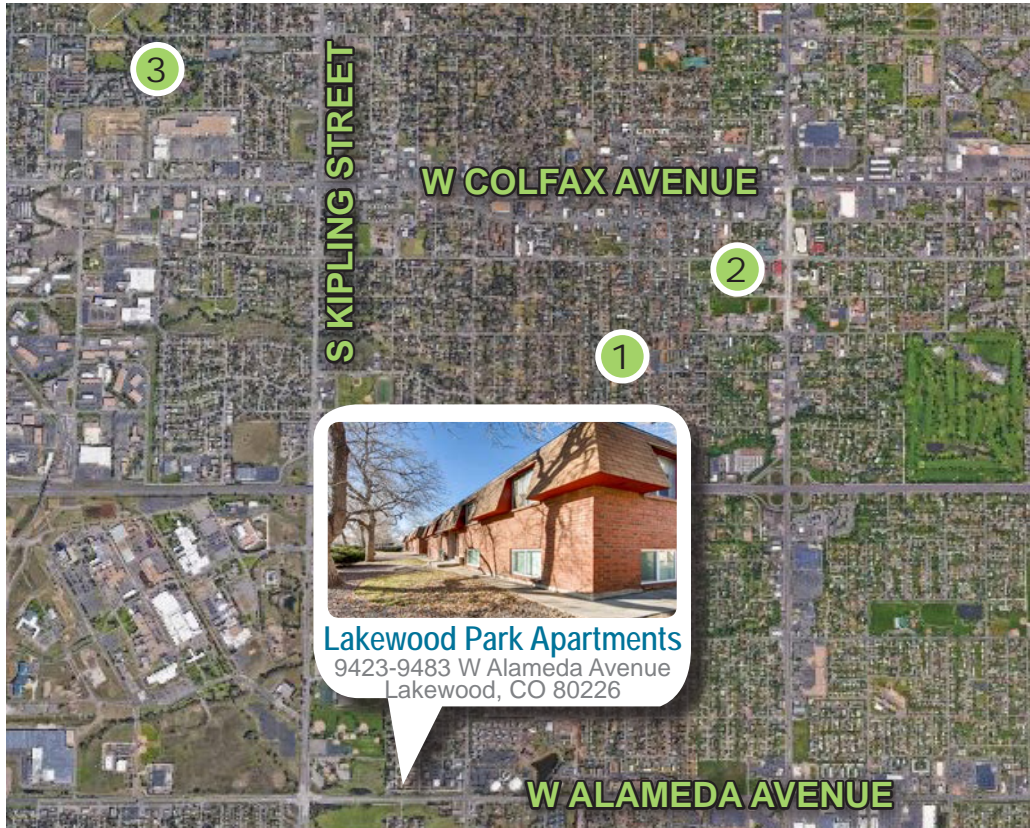
List Price:	\$4,050,000
Built:	1971
Units:	24
Unit Mix:	24 - 2Bd/1Ba
Price/Unit:	\$168,750
Price/SF:	\$177.26



## 915 Carr Street Lakewood, CO

1

Sale Date:	11/13/2017
Sale Price:	\$4,150,000
Built:	1968
Units:	24
Unit Mix:	1 - 3Bd/1Ba 20 - 2Bd/1Ba 3 - 1Bd/1Ba
Price/Unit:	\$172,917
Price/SF:	\$201.53



## Courtyard Apartments 7885-7895 W 12th Ave

2

Sale Date:	11/1/2017
Sale Price:	\$2,810,000
Built:	1970
Units:	17
Unit Mix:	17 - 2Bd/1Ba
Price/Unit:	\$165,294
Price/SF:	\$194.00



## The Applewoods 1975 Oak Street

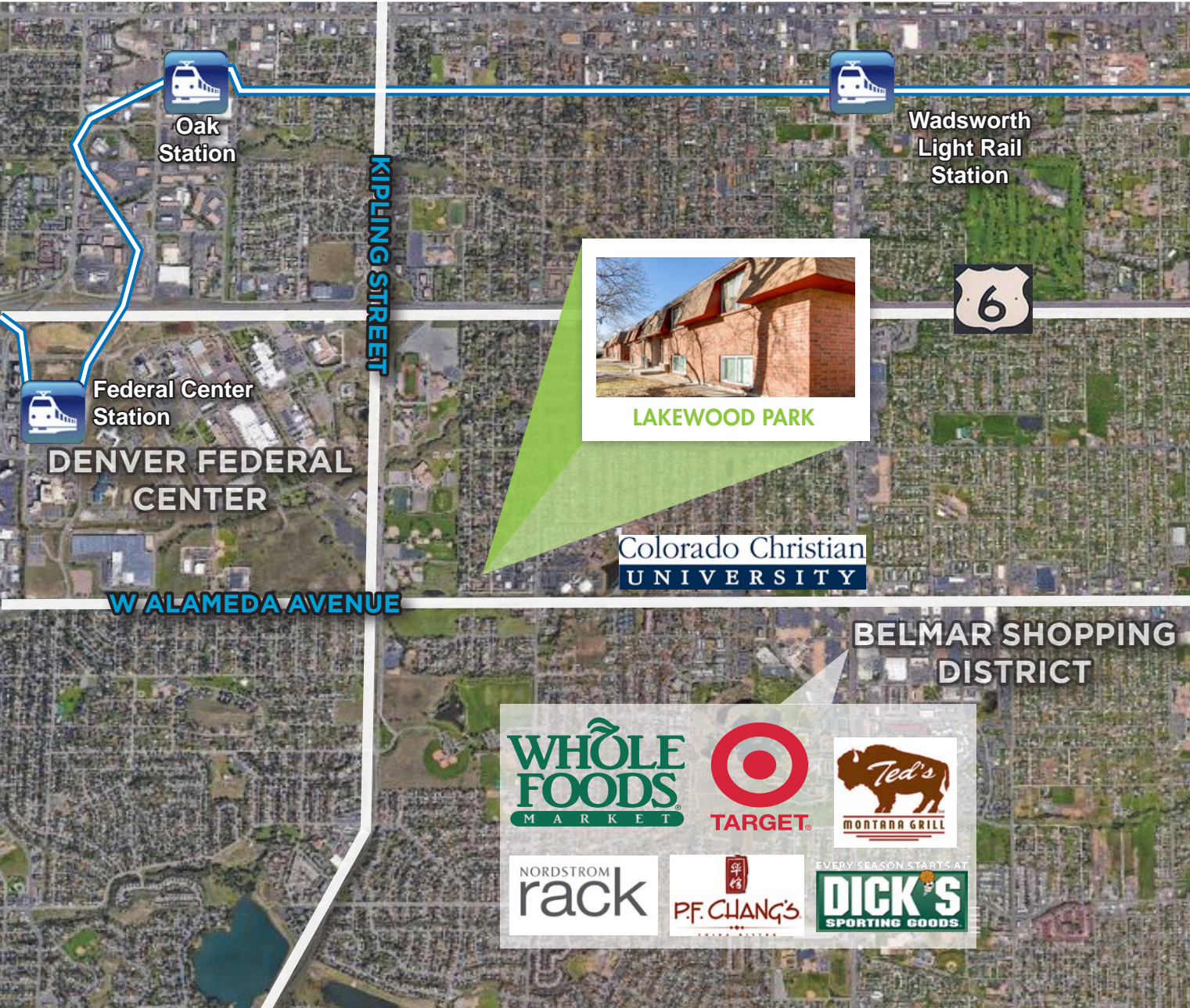
3

Sale Date:	2/8/2018
Sale Price:	\$7,005,000
Built:	1964
Units:	42
Unit Mix:	14 - 1Bd/1Ba 24 - 1Bd/1Ba 4 - 3Bd/2Ba
Price/Unit:	\$166,785
Price/SF:	\$205.29

# LOCATION OVERVIEW



# Location Overview



## POPULATION

1 mile	9,982
3 mile	124,049
5 mile	334,737



## HOUSEHOLDS

1 mile	4,050
3 mile	52,573
5 mile	133,686



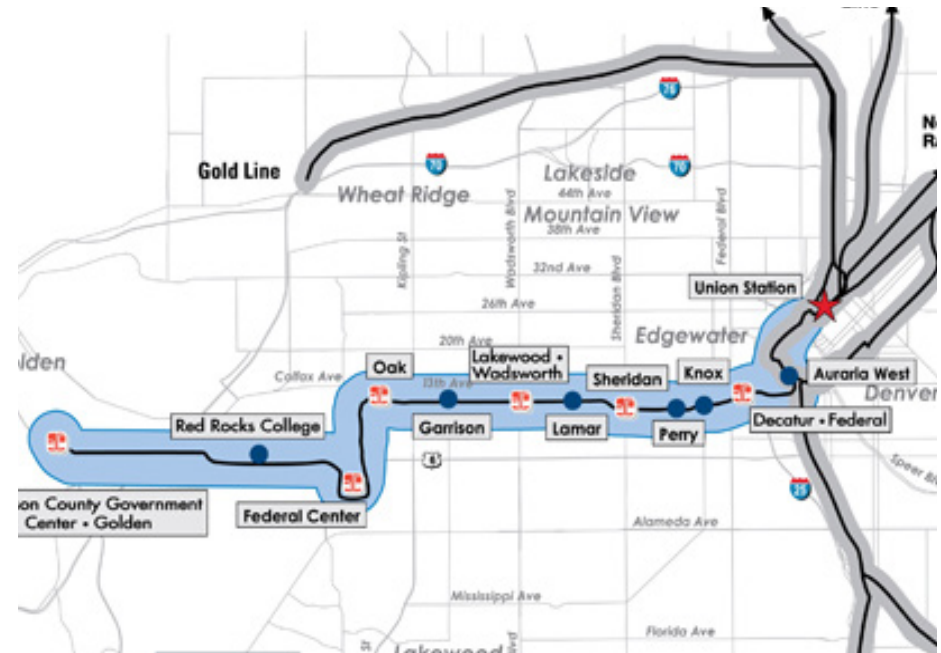
## AVERAGE HH INCOME

1 mile	\$85,152
3 mile	\$75,043
5 mile	\$73,955



Colorado Christian UNIVERSITY

# Light Rail - West Line



The West Rail Line is a 12.1-mile light rail transit corridor located between the Auraria Campus in downtown Denver and the Jefferson County Government Center in Golden. It serves Denver, Lakewood, the Federal Center, Golden and Jefferson County.

The West Rail Line travels through a series of parks in Denver, through residential neighborhoods along 13th Avenue in Lakewood, through the Lakewood Industrial Park, onto the Federal Center site and along 6th Avenue to the Jefferson County Government Center on the western end of the project.

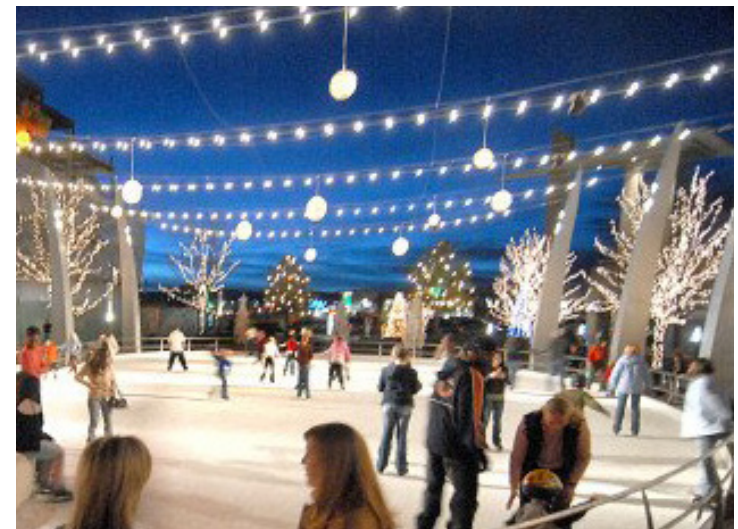
The city of Lakewood has rezoned much of the areas surrounding the light rail stations and the West Colfax corridor to accommodate for mixed-use and higher density projects.

# Belmar Shopping District



Downtown Lakewood was significantly improved in May 2004 with the \$750 million initial phase of Belmar was opened. The area consists of 22 city blocks that includes retailers, restaurants, theater, cafes, offices, residences, plazas and parks. There are over 80 shops and restaurants and over 250,000 square feet of office space. The next phase of Belmar has been completed recently with the opening of Hyatt House.

- **Major Retailers :** Target, Nordstrom Rack, Whole Foods, Best Buy, 24 Hour Fitness and Dicks Sporting Goods
- **Restaurants :** PF Changs, Bar Louie, Chick-Fill-A, Lucky Strike Lanes and Jamba Juice
- **Amenities :** Belmar Square, Free Parking, Car2Go Pickup + Dropoff, The Rink at Belmar, Lily Pad Lane, Solar Panels and Century 16 Belmar



# Disclaimer



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Pinnacle REA makes no guarantee, warranty or representation about the completeness or accuracy of the information set forth in this Offering Memorandum. You are responsible to independently verify its accuracy and completeness. Pinnacle REA has prepared the information concerning the Property based upon assumptions relating to the general economy, its knowledge of other similar properties in the market, and on other market assumptions including factors beyond the control of the Pinnacle REA and the Owner of the Property. Pinnacle Real Estate Advisors make no representation or warranty as to either the accuracy or completeness of the information contained herein, and the information set forth in this Offering Memorandum is not intended to be a promise or representation as to the future performance of the Property. Although the information contained herein is believed to be accurate, Pinnacle REA and the Property Owner disclaim any responsibility or liability for any inaccuracies. Further, Pinnacle REA and the Property Owner disclaim any and all liability for any express or implied representations and warranties contained in, or for any omissions from, the Offering Memorandum and for any other written or oral communication transmitted or made available to you. Pinnacle REA shall make available to

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## Investment Contacts:

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