

1234
SMITH ROAD
DENVER, CO 80000

OFFERING MEMORANDUM

XX UNITS | INVESTMENT OPPORTUNITY | BUILT 2025





INVESTMENT SALES TEAM

BROKER NAME

Title

T: 303.962.9555

Broker@PinnacleREA.com

BROKER NAME

Title

T: 303.962.9555

Broker@PinnacleREA.com

OFFICE

One Broadway Suite A300

Denver, CO 80203

T: 303.962.9555

www.PinnacleREA.com



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01 EXECUTIVE SUMMARY





INVESTMENT HIGHLIGHTS



**RARE VALUE-ADD
DEAL OF SCALE**



**EXTREMELY
ATTRACTIVE
PRICE BASIS**



**PRIME SUBURBAN
LOCATION**



**SIGNIFICANT CAPITAL
IMPROVEMENTS**



**XX GARAGES
ON-SITE**



**AMAZING
CLUBHOUSE**

INVESTMENT HIGHLIGHTS

Property Description

It is a long established fact that a reader will be distracted by the readable content of a page when looking at its layout. The point of using Lorem Ipsum is that it has a more-or-less normal distribution of letters, as opposed to using 'Content here, content here', making it look like readable English.

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PROPERTY NAME/ADDRESS

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OFFERING SUMMARY

PROPERTY NAME	Pretty New Building
PROPERTY ADDRESS	1234 Smith Road Denver, CO 80000
OFFERING PRICE	\$00,000,000
NUMBER OF UNITS	XXX
NUMBER OF BUILDINGS	(2) 3-Story
YOC	1974
RENTABLE SF	150,185
LOT AREA	274,428 SF
PARKING SPACES	XX Garages / XX Surface Spaces



EAGLERIDGE

ROSS
DRESS FOR LESS

BIG 5
SPORTING GOODS

OfficeMax

PETSMART

BARNES & NOBLE

american
Furniture Warehouse

Sam's CLUB

THE HOME DEPOT

WAL-MART
SUPERCENTER

UNIVERSITY PARK

WALKING STICK GOLF COURSE



PUEBLO COUNTRY CLUB

SITE

PUEBLO MALL

Dillard's
The Style of Your Life.

jcp

BED BATH & BEYOND

GameStop
power to the player

claire's

JOANN
fabrics and crafts

GNC

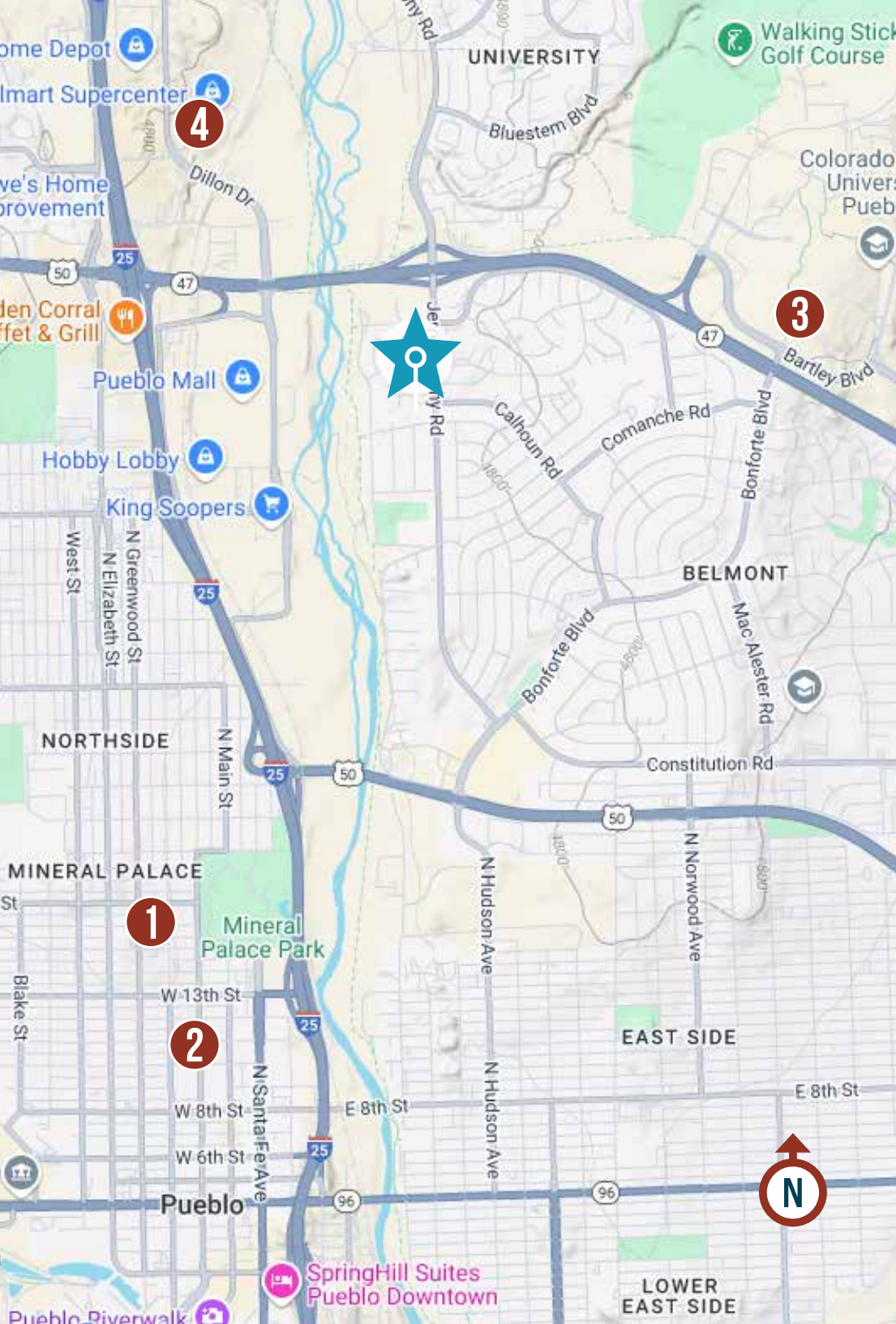
cricket
wireless



1234 SMITH ROAD
Denver, CO 80000



DOWNTOWN PUEBLO



SURROUNDED BY TOP EMPLOYERS

	DESTINATION	JOBS	DISTANCE
1	PARKVIEW MEDICAL CENTER	3,000+	3.5 MILES
2	PUEBLO SCHOOL DISTRICT	2,400	3.8 MILES
3	COLORADO STATE UNIVERSITY PUEBLO	1,230	1.2 MILES
4	WALMART SUPERCENTER	350	2.0 MILES



SITE MAP



FLOOR PLANS

A1

1 Bed | 1 Bath | 424-442 Sq. Ft



B1

2 Bed | 1 Bath | 667-798 Sq. Ft



OPEN FLOORPLAN WITH EXPANSIVE
VIEWS AND AMBIENT LIGHT

UPGRADED APPLIANCES, FIXTURES &
FINISHES WITH QUARTZ COUNTERTOPS

UNIT AMENITIES

- Air Conditioning
- All-electric Kitchen
- Cable Ready
- Carpeted Floors
- Ceiling Fans
- Disability Access*
- Dishwasher
- Extra Storage
- Furnished Available
- Pantry*
- Refrigerator
- Tile Floors
- Vertical Blinds
- Views Available

**In Select Units*

COMMUNITY AMENITIES

- Access to Public Transportation
- Basketball Court
- Beautiful Landscaping
- Disability Access
- Easy Access to Freeways and Shopping
- Garage
- Guest Parking
- High-speed Internet Access
- Laundry Facility
- On-call and On-site Maintenance
- Picnic Area with Barbecue
- Public Parks Nearby
- Section 8 Welcome
- Short-term Leasing Available

02 FINANCIAL ANALYSIS





PRICING ANALYSIS

Unit Breakdown		
Unit Type	Units	Estimated SF
2Br/1Ba	4	900
Total	4	3,600 SF

Property Description	
Total Units:	4
Year Built:	1971
Building GSF:	3,184 SF
Land SF:	7,600 SF
Construction:	
HVAC:	Furnace
Parking:	Surface
Roof:	Pitched

Underwriting Assumptions:
<ul style="list-style-type: none"> Rental Income based on Rent Roll as of 3/14/2017 Other Income based on T12 P&L; Actual Expenses based on T-12 P&L less property management. Proforma Insurance estimated at \$350/unit/year; Proforma Utilities are 3.0% over Actual; Proforma Repairs & Maintenance estimated at \$700/unit/year; New Estimated Loan based on market rate assumptions.

Current

INCOME:				
Average Rent/Unit		Rent/SF		Total
\$694		\$0.77		\$ 33,300
Gross Rental Income:				\$ 33,300
Vacancy/Credit Loss:		-5.00%		\$ (1,665)
Effective Rental Income:				\$ 31,635
RUBS:				\$ 2,004
Gross Operating Income:				\$ 33,639
EXPENSES:		% of ERI	Per Unit	Total
Property Tax:		2.40%	\$ 202	\$ 808
Property Insurance:		4.16%	\$ 350	\$ 1,400
Utilities:		13.89%	\$ 1,168	\$ 4,672
Management:		0.00%	\$ -	\$ -
R&M:		18.94%	\$ 1,593	\$ 6,372
Total Expenses:		39%		\$ 13,252
Expenses Per Unit:				\$ 3,313
Expenses Per SF:				\$ 4.16
Net Operating Income:				\$ 20,388

Market

INCOME:			
Average Rent/Unit	Rent/SF	Total	
\$750	\$0.83	\$	36,000
Gross Rental Income:		\$	36,000
Vacancy/Credit Loss:	-5.00%	\$	(1,800)
Effective Rental Income:		\$	34,200
RUBS:		\$	2,004
Gross Operating Income:		\$	36,204
EXPENSES:	% of ERI	Per Unit	Total
Property Tax:	2.30%	\$ 208	\$ 832
Property Insurance:	4.42%	\$ 400	\$ 1,600
Utilities:	13.29%	\$ 1,203	\$ 4,812
Management:	6.00%	\$ -	\$ -
R&M:	7.73%	\$ 700	\$ 2,800
Total Expenses:	34%		\$ 10,044
Expenses Per Unit:		\$	2,511
Expenses Per SF:		\$	3.15
Net Operating Income:		\$	26,160

INCOME & EXPENSE SUMMARY

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PRO FORMA 10-YEAR CASH FLOW - ASSUMPTION

<i>Fiscal Year Ending</i>	<i>As-Is</i>	<i>As-Is PSF</i>	<i>Year 1</i>	<i>Year 2</i>	<i>Year 3</i>	<i>Year 4</i>	<i>Year 5</i>	<i>Year 6</i>	<i>Year 7</i>	<i>Year 8</i>	<i>Year 9</i>	<i>Year 10</i>
GROSS RENTAL INCOME	\$478,800	\$15.50	\$504,300	\$529,800	\$545,694	\$562,065	\$578,927	\$596,295	\$614,183	\$632,609	\$651,587	\$671,135
RUBS:	\$50,738	\$1.64	\$51,499	\$52,260	\$53,828	\$55,443	\$57,106	\$58,819	\$60,584	\$62,401	\$64,273	\$66,202
Pre-Paid Rent:	\$7,476	\$0.24	\$7,588	\$7,700	\$7,931	\$8,169	\$8,414	\$8,667	\$8,927	\$9,195	\$9,470	\$9,754
Miscellaneous:	\$22,141	\$0.72	\$22,473	\$22,805	\$23,489	\$24,194	\$24,919	\$25,667	\$26,437	\$27,230	\$28,047	\$28,888
POTENTIAL GROSS REVENUE	\$559,155	\$18.10	\$585,860	\$612,565	\$630,942	\$649,870	\$669,367	\$689,448	\$710,131	\$731,435	\$753,378	\$775,979
General Vacancy (5.0%)	(\$23,940)	(\$0.78)	(\$25,215)	(\$26,490)	(\$27,285)	(\$28,103)	(\$28,946)	(\$29,815)	(\$30,709)	(\$31,630)	(\$32,579)	(\$33,557)
EFFECTIVE GROSS REVENUE	\$535,215	\$17.33	\$560,645	\$586,075	\$603,658	\$621,767	\$640,420	\$659,633	\$679,422	\$699,804	\$720,799	\$742,423
Property Taxes:	(\$16,771)	(\$0.54)	(\$16,771)	(\$33,542)	(\$34,548)	(\$35,585)	(\$36,652)	(\$37,752)	(\$38,884)	(\$40,051)	(\$41,252)	(\$42,490)
Property Insurance:	(\$23,890)	(\$0.77)	(\$23,890)	(\$24,607)	(\$25,345)	(\$26,105)	(\$26,888)	(\$27,695)	(\$28,526)	(\$29,381)	(\$30,263)	(\$31,171)
Utilities & Trash:	(\$45,528)	(\$1.47)	(\$45,528)	(\$46,894)	(\$48,301)	(\$49,750)	(\$51,242)	(\$52,779)	(\$54,363)	(\$55,994)	(\$57,673)	(\$59,404)
Management Fees (5.0%):	(\$22,743)	(\$0.74)	(\$23,954)	(\$25,166)	(\$25,920)	(\$26,698)	(\$27,499)	(\$28,324)	(\$29,174)	(\$30,049)	(\$30,950)	(\$31,879)
Outsourced Personnel (12.2%):	(\$55,440)	(\$1.80)	(\$58,393)	(\$61,345)	(\$63,186)	(\$65,081)	(\$67,034)	(\$69,045)	(\$71,116)	(\$73,250)	(\$75,447)	(\$77,711)
Repairs & Maintenance:	(\$36,750)	(\$1.19)	(\$36,750)	(\$37,853)	(\$38,988)	(\$40,158)	(\$41,362)	(\$42,603)	(\$43,881)	(\$45,198)	(\$46,554)	(\$47,950)
Miscellaneous:	(\$10,555)	(\$0.34)	(\$10,555)	(\$10,872)	(\$11,198)	(\$11,534)	(\$11,880)	(\$12,237)	(\$12,604)	(\$12,982)	(\$13,371)	(\$13,772)
Total Operating Expenses	(\$211,677)	(\$6.85)	(\$215,841)	(\$240,278)	(\$247,486)	(\$254,911)	(\$262,558)	(\$270,435)	(\$278,548)	(\$286,904)	(\$295,511)	(\$304,377)
<i>Total Operating Expenses per Unit</i>		(\$4,320)	(\$4,405)	(\$4,904)	(\$5,051)	(\$5,202)	(\$5,358)	(\$5,519)	(\$5,685)	(\$5,855)	(\$6,031)	(\$6,212)
NET OPERATING INCOME	\$323,537	\$10.48	\$344,804	\$345,798	\$356,172	\$366,857	\$377,862	\$389,198	\$400,874	\$412,900	\$425,287	\$438,046

RENT ROLL

Unit Mix:	Unit Type	Square Foot	Current Ave Rent	Market Rent	Lease end date
1365	1/1	0	\$1,195	\$1,450	3/31/2025 - Expired
1357	1/1	0	\$1,580	\$1,450	8/31/2025
1359+garage	1/1	0	\$1,560	\$1,450	6/30/2025 - Coming Up
1361+garage	1/1	0	\$1,590	\$1,450	10/1/2025
1355	1/1	0	\$1,115	\$1,450	8/31/2025
1363+garage	1/1	0	\$1,600	\$1,450	9/1/2025



03 MARKET OVERVIEW





AREA OVERVIEW

Pueblo is the eighth largest city in Colorado, located at an elevation of 4,700 feet in Southeastern Colorado along the southernmost edge of the state's major growth corridor, commonly referred to as the Front Range of the Rocky Mountains. Historically a transportation junction, the city lies at the crossroads of two major highways – Interstate 25, Colorado's major north/south arterial, and U.S. Highway 50 (east/west). Additionally, it is located just 114 miles south of Denver and 45 miles south of Colorado Springs. Located at the confluence of the Arkansas River and Fountain Creek, Pueblo has been an important crossroads for transportation and trading for more than 150 years. Pueblo has invested numerous resources to help revitalize the city and attract new employers and a growing population.

Pueblo has been nationally recognized for its business friendly climate, and low taxes. Pueblo serves as the southern boundary for the state's major business growth corridor. The top Industries in Pueblo include: services, retail trade, public administration, healthcare and construction.

As a whole, Pueblo has fared well, even during the recent downturn. Much like the rest of the state, Pueblo's unemployment rate increased over the past few years. However, positive job growth has made its way back into the region.



PUEBLO QUALITY OF LIFE:

- One of the lowest costs of living in America
- Sunshine at least 300 days annually
- The health care center for Southern Colorado
- Abundant recreational and cultural activities
- The communications center of Southern Colorado
- 35th Best Small City for Job Growth

EDUCATION AND ADVANCE LEARNING



Located less than five minutes to the northeast is the Colorado State University, a 279-acre four-year university campus on top of a hill at the north end of Pueblo and offering gorgeous mountain views. The university has recently completed construction on a new 12,000 seat football stadium, a new 42,000 square foot student recreation center, three new residence halls and a \$24 million expansion/renovation of the University Library. The university has an annual economic impact of over \$128 million on the local economy and supports over 1,300 jobs both directly and indirectly.

Established in 1933, CSU Pueblo has a student body of over 5,000 students, including 120 international students. The student population has grown 24% since 2002. Currently a fully accredited four-year university, it offers 28 baccalaureate and eight graduate degree programs.

PUEBLO EMPLOYERS



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PUEBLO EMPLOYERS

Agriculture, Forestry, Fishing and Hunting and Mining	0.9%
Construction	7.1%
Manufacturing	7.1%
Wholesale Trade	2%
Retail Trade	14.5%
Transportation and Warehousing, and Utilities	3.5%
Information	2.1%
Finance and Insurance, and Real Estate and Rental and Leasing	4.4%
Professional, Scientific, Management and Administrative & Waste	9.1%
Educational Services and Health Care and Social Assistance	28.1%
Arts, Entertainment, Recreation, Accommodation & Food Services	11.9%
Other Services, Except Public Administration	3.8%
Public Administration	5.5%

OUTDOOR RECREATION AND LIFESTYLE

Pueblo is renowned for its exceptional outdoor recreational opportunities and stunning natural landscapes, contributing significantly to the city's high quality of life. The region's attractions include:

- **Lake Pueblo State Park:** Lake Pueblo, rated a fishing hot spot, provides over 4,600 surface acres of water, 60 miles of shoreline and almost 10,000 acres of land. Water recreation opportunities include sailing, motor-boating, waterskiing and river tubing. Visitors enjoy views of the Greenhorn and Wet mountain ranges to the southwest and the magnificent Pikes Peak to the north.
- **San Isabel National Forest:** With nearly 800 miles of trails, nineteen peaks over 14,000 feet, and numerous camping locations, the San Isabel National Forest has recreation for everyone.
- **Pueblo Zoo:** Home to more than 400 animals representing 125 different species from around the world. The current site in City Park is listed on the National Register of Historic Places and attracts 90,000 visitors each year.
- **The Historic Arkansas Riverwalk:** A 32-acre urban waterfront experience open to the Public daily. The Riverwalk's current location serves the community by revitalizing a segment of the downtown area that was previously unsightly and unusable.

The city's commitment to preserving natural spaces and promoting outdoor activities not only enhances residents' lifestyles but also attracts tourists, bolstering the local economy.





NOTABLE ADVANTAGES & CHAMBER OF COMMERCE INITIATIVES

Pueblo Advantages

The Pueblo Economic Dashboard offers comprehensive data that tracks key economic development metrics. The data is updated monthly and metrics include: inflation, job growth, unemployment rate, median earnings, cost of living averages and employment breakdown by sector.

Pueblo Incentives:

Pueblo is the only community in Colorado that offers CASH incentives to expand or relocate your business. Eligible uses of the fund include brick and mortar project expenses, infrastructure and in some instances equipment.

Enterprise Zone:

The Pueblo Urban Enterprise Zone was part of the State of Colorado's Enterprise Zone program under the Colorado Urban and Rural Enterprise Zone Act. Any taxpayer who establishes a new business facility located in an enterprise zone can claim an income tax credit

DISCLAIMER

This confidential Offering Memorandum, has been prepared by Pinnacle Real Estate Advisors, LLC ("Pinnacle REA") for use by a limited number of qualified parties. This Offering Memorandum has been provided to you at your request based upon your assurances that you are a knowledgeable and sophisticated investor in commercial real estate projects and developments. Pinnacle REA recommends you, as a potential buyer/investor, should perform your own independent examination and inspection of the property described herein as Noname Apartments located at 1234 Smith Road and of all of the information provided herein related to the Property. By accepting this Offering Memorandum, you acknowledge and agree that you shall rely solely upon your own examination and investigation of the Property and you shall not rely on any statements made in this Offering Memorandum or upon any other materials, statements or information provided by Pinnacle REA or its brokers.

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 you, as a qualified prospective investor, additional information concerning the Property and an opportunity to inspect the Property upon written request.

This Offering Memorandum and the contents are intended to remain confidential except for such information which is in the public domain or is otherwise available to the public. By accepting this Offering Memorandum, you agree that you will hold and treat Offering Memorandum in the strictest confidence, that you will not photocopy or duplicate it, or distribute it. You agree you will not disclose this Offering Memorandum or its contents to any other person or entity, except to outside advisors retained by you and from whom you have obtained an agreement of confidentiality, without the prior written authorization of Pinnacle REA. You agree that you will use the information in this Offering Memorandum for the sole purpose of evaluating your interest in the Property. If you determine you have no interest in the property, kindly return the Offering Memorandum to Pinnacle REA at your earliest convenience.

LOGO



INVESTMENT SALES TEAM

BROKER NAME

Title

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