

# Campus Lofts Apartments

1116 East Lemon Street  
Tempe, AZ

## Investment Property Offering



## A 19 Unit Apartment Complex Located in Tempe, Arizona

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# Campus Lofts Apartments

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## Executive Summary

<b>Location</b>	1116 East Lemon Street Tempe, Arizona 85281
<b>List Price</b>	\$855,000
<b>Price Per Unit</b>	\$45,000
<b>Price Per Square Foot</b>	\$77.06
<b>Total Units</b>	19
<b>Building Square Footage</b>	11,095
<b>Number of Buildings</b>	2
<b>Land Acres</b>	0.68



<b>Cross Street</b>	Lemon & Terrace
<b>Market</b>	Phoenix
<b>Sub Market</b>	Tempe
<b>Year Built</b>	1960
<b>Building Class</b>	B
<b>HVAC</b>	Individual
<b>Tax Parcel Number</b>	132-73-155 & 156
<b>Foundation Type</b>	Concrete Slab
<b>Location Class</b>	B
<b>Number of Stories</b>	1

### AREA DESCRIPTION

The Campus Lofts Apartments is located at 1116 East Lemon Street in Tempe, Arizona. It is situated on the north side of Lemon Street, a residential street, between University and Apache Drive, major thoroughfares running through Tempe. The property is less than two miles west of the Loop 101 and south of the Loop 202, both major arterial highways that connect to the US 60 and I-10 freeways. These highways give residents of Campus Lofts easy access to downtown Phoenix and all other parts of the metropolitan area. Campus Lofts is also blocks away from the Arizona State University and across the street from a light rail station that runs along Terrace Road.

The area immediately surrounding Campus Lofts contains a variety of schools, multifamily and single-family residential properties, and retail. Several neighborhood shopping centers, parks, churches, and public facilities are located within a mile of the property; including Arizona State University, the third largest university in the country. The property is also located in close proximity of The Phoenix Sky Harbor International Airport, the fifth busiest airport in the nation, which provides residents many opportunities for employment.

### PROPERTY DESCRIPTION

Campus Lofts is a one story community built in 1960 comprised of 19 units: one studio unit and 18 one bedroom / one bathroom units. The building is constructed of block with pitched shingle roofs.

Amenities include a gated pool, and a coin operated washer and dryer facility. The property is individually metered for electricity and master metered for water. The property owner is responsible for the cost of water, sewer, and trash pickup, and the residents are responsible for the cost of electricity in their units, including the cost of heating and air conditioning. Seventeen covered parking spaces are provided on site, plus additional street parking.

The Campus Lofts Apartments is constructed on two rectangular sites of approximately 0.68 acres, providing a density of 28.04 units per acre.



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## Property Photos



# Campus Lofts Apartments

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Aerial - Far



# Campus Lofts Apartments

1116 East Lemon Street  
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Aerial - Close



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## Parcel Map





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## Projected Financial Summary

**Note: Rents and physical vacancy is as quoted by the on-site manager. Economic vacancy and expenses are estimated, except for property taxes, which are quoted from Maricopa County Treasurers Office.**

<b>Year Built</b>	1960			
<b>Total Units</b>	<b>Total Square Feet</b>			
19	11,095			
<b>Units</b>	<b>Type</b>	<b>Sq. Ft.</b>	<b>Actual Rent</b>	<b>Estimated Current</b>
1	Studio	475	\$495	\$ 495
18	1BD/1BA	590	\$495	\$ 8,910
<b>Monthly Scheduled Gross Rent</b>				\$ 9,405
<b>Annual Scheduled Gross Rent</b>				\$ 112,860
	Physical Vacancy	10.0%		\$ (11,286)
	Economic Vacancy*	8.0%		\$ (9,029)
	*credit loss, turnover, etc.			
<b>Total Vacancy</b>	<b>18.0%</b>			<b>\$ (20,315)</b>
<b>Net Rental Income</b>				<b>\$ 92,545</b>
<b>Gross Operating Income</b>				<b>\$ 92,545</b>
<b>OPERATING EXPENSES</b>				
<b>Property Taxes</b>	* Actual 2009 Taxes			\$ 3,835
<b>Insurance</b>	*Estimated At \$200/unit			\$ 3,800
<b>Maintenance</b>	*Estimated At \$500/unit			\$ 9,500
<b>Repairs</b>	*Estimated At \$400/unit			\$ 7,600
<b>Electricity</b>	*Estimated At \$150/unit			\$ 2,850
<b>Gas</b>	*Estimated At \$25/unit			\$ 475
<b>Sewer and Water</b>	*Estimated At \$300/unit			\$ 5,700
<b>Trash</b>	*Estimated At \$100/unit			\$ 1,900
<b>Payroll</b>	*Estimated At \$500/Unit			\$ 9,500
<b>Management Fee</b>	*Estimated To be 6% of Collected Rent			\$ 5,553
<b>Administrative Expenses</b>	*Estimated At \$115/unit			\$ 2,185
<b>Capital Reserve</b>	*Estimated At \$250/unit			\$ 4,750
<b>Total Operating Expenses</b>				<b>\$ 57,648</b>
	Operating Cost Per Unit			<b>\$ 3,034</b>
	Operating Cost Per Sq Ft			<b>\$ 5.20</b>
<b>Net Operating Income</b>				<b>\$ 34,898</b>





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## Rent Comparables Adjusted Monthly Rent

### NOTE:

“Adjusted Monthly Rent” is the effective rent received by the property owner after adjusting for any rental concessions, on an assumed one-year lease. By way of example, if the quoted market rent is \$600 per month, and one month free with a twelve-month lease, the Adjusted Monthly Rent is  $\$550 ( (\$600 \times 11) / 12)$

Property Location	Year Built	% Vacant	Unit Mix	Total Units	S.F.	Monthly Rent	Monthly Rent / S.F.	Adjusted Rent	Adjusted Rent / S.F.	Photo
The Villas 1718 S. Jentilly Ln. Tempe, AZ 85281	1968	10% Concessions: one month free	1 Bed, 1 Bath	12	740	\$699	\$0.94	\$641	\$0.87	
			Totals/Averages	12	740	\$699	\$0.94	\$641	\$0.87	
			<hr/>							
Apache Terrace 1123 E. Apache Blvd. Tempe, AZ 85281	1987	6% Concessions: one month free	1 Bed, 1 Bath	54	700	\$499	\$0.71	\$457	\$0.65	
			Totals/Averages	54	700	\$499	\$0.71	\$457	\$0.65	
			<hr/>							
University Gardens 1019 E. Lemon St. Tempe, AZ 85281	1965	10% Concessions: one month free	Studio	20	400	\$620	\$1.55	\$568	\$1.42	
			1 Bed, 1 Bath	28	474	\$650	\$1.37	\$596	\$1.26	
			2 Bed, 1 Bath	18	691	\$765	\$1.11	\$701	\$1.01	
			Totals/Averages	66	511	\$672	\$1.30	\$616	\$1.19	
<hr/>										
Riviera Palms 914 E. Lemon St. Tempe, AZ 85281	1963	10% Concessions: \$49 move-in	Studio	12	350	\$554	\$1.58	\$512	\$1.46	
			1 Bed, 1 Bath	54	450	\$569	\$1.26	\$526	\$1.17	
			2 Bed, 1 Bath	10	661	\$624	\$0.94	\$576	\$0.87	
Totals/Averages	76	462	\$574	\$1.20	\$530	\$1.10				
<hr/>										
Averages	1971	9%								

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## Subject Property Comparison

Note - "Adjusted Monthly Rent" is the effective rent received by the property owner after adjusting for any rental concessions, on an assumed one-year lease. By way of example, if the quoted market rent is \$600 per month, and one month is free with a twelve-month lease, the Adjusted Monthly Rent is \$550 ( (\$600 X 11) / 12 ).

Unit Mix	Total Units	S.F.	Monthly Rent	Monthly Rent / S.F.	Adjusted Monthly Rent	Adjusted Rent / S.F.
Studio	1	475	\$ 495	\$ 1.04	\$ 454	\$ 0.96
1 Bed, 1 Bath	18	490	\$ 495	\$ 1.01	\$ 454	\$ 0.93
<b>Totals/Averages</b>	<b>19</b>	<b>489</b>	<b>\$ 495</b>	<b>\$ 1.01</b>	<b>\$ 454</b>	<b>\$ 0.93</b>

### Comparables Property Summary

Unit Mix	Total Units	S.F.	Monthly Rent	Monthly Rent / S.F.	Adjusted Monthly Rent	Adjusted Rent / S.F.
Studio	32	381	\$ 575	\$ 1.51	\$ 534	\$ 1.40
1 Bed, 1 Bath	148	581	\$ 562	\$ 0.97	\$ 522	\$ 0.90
2 Bed, 1 Bath	28	680	\$ 715	\$ 1.05	\$ 656	\$ 0.96
<b>Totals/Averages</b>	<b>208</b>	<b>547</b>	<b>\$ 617</b>	<b>\$ 1.18</b>	<b>\$ 571</b>	<b>\$ 1.09</b>

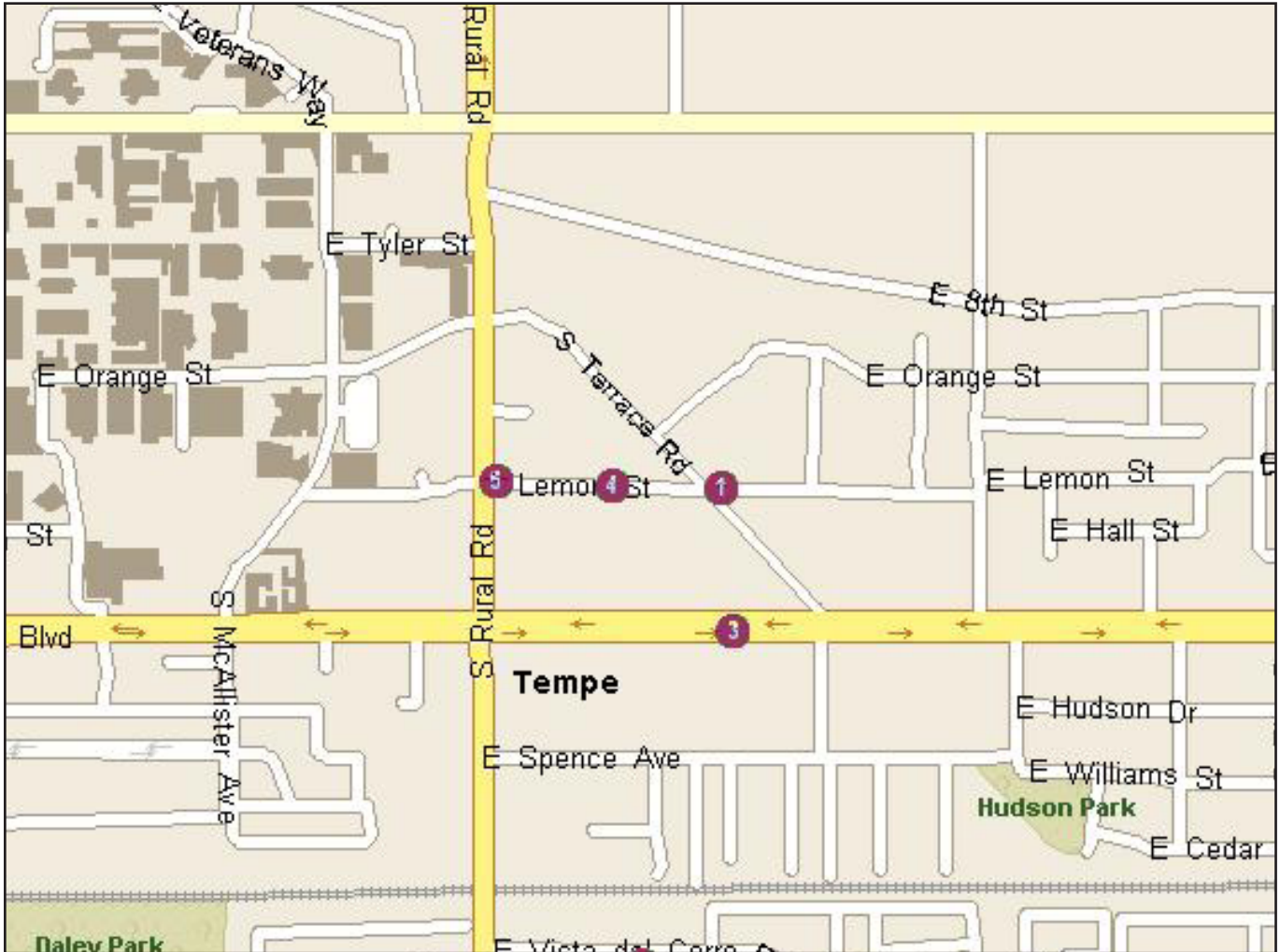


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## Rent Comparable Map



### 1. Subject Property

Campus Lofts Apartments  
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2  
The Villas  
1718 S. Jentilly Ln. | Tempe, AZ

3  
Apache Terrace  
1123 E. Apache Blvd. | Tempe, AZ









4  
University Gardens  
1019 E. Lemon St. | Tempe, AZ

5  
Casa Tierra  
914 E. Lemon St. | Tempe, AZ

# Campus Lofts Apartments

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## Sales Comparables

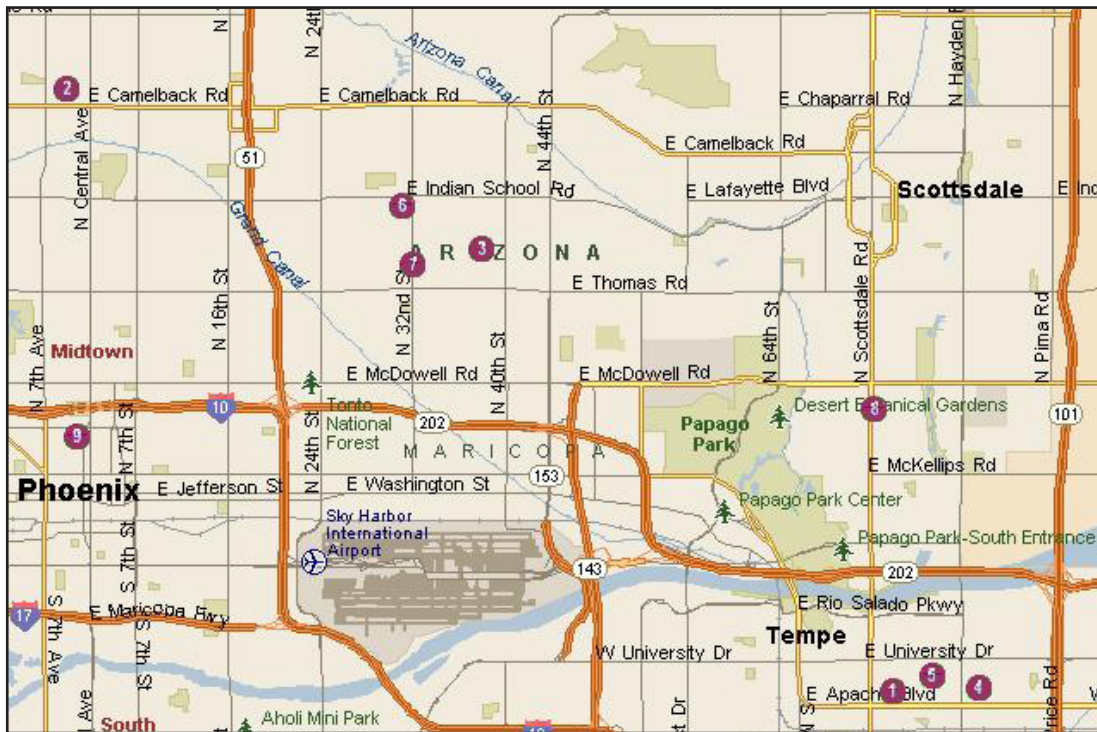
Property Location	Year Built	# Units	Unit Mix	Sales Price	Price/Unit	Price/SF	Close of Escrow	Property Photograph
<b>Majestic Palms</b> 333 W. Medlock Dr. Phoenix, AZ 85013	1957	20	19 1BD/1BA 1 3BD/2BA	\$ 1,250,000	\$62,500	\$92.42	3/10/2009	
<b>3234 N. 38th St.</b> Phoenix, AZ 85018	1962	14	13 2BD/1BA 1 2BD/1BA	\$ 805,000	\$57,500	\$56.46	8/21/2009	
<b>The Reach</b> 1855 E. Don Carlos Ave. Tempe, AZ 85281	1987	56	52 2BD/1BA 4 3BD/2BA	\$ 3,005,000	\$53,661	\$71.86	6/2/2009	
<b>Tempe Manor</b> 1403 E. 8th St. Tempe, AZ 85281	1960	20	20 1BD/1BA	\$ 750,000	\$37,500	\$77.96	8/28/2009	
<b>Peppertree Apartments</b> 3105-3127 E. Fairmount Ave. Phoenix, AZ 85016	1963	24	2 1BD/1BA 20 2BD/1BA 2 3BD/1BA	\$ 1,010,000	\$42,083	\$52.60	2/20/2009	
<b>Casa Bonita Apartments</b> 3205 E. Earll Dr. Phoenix, AZ 85018	1980	8	2 1BD/1BA 6 2BD/1BA	\$ 374,000	\$46,750	\$59.63	3/10/2009	
<b>Los Arcos</b> 7221 E. Belleview St. Scottsdale, AZ 85257	1968	8	8 Studio	\$ 350,000	\$43,750	\$62.34	3/16/2009	
<b>Hilton Apartments</b> 825 N. 2nd Ave. Phoenix, AZ 85003	1954	24	20 Studio 4 1BD/1BA	\$ 970,000	\$40,417	\$98.89	4/30/2009	
<b>AVERAGES</b>	1966	22		\$ 1,064,250	\$48,020	\$71.52		

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## Sales Comparables Map



### 1. Subject Property

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- |  |  |
|--|--|
| 2 Majestic Palms<br>333 W. Medlock Dr.   Phoenix, AZ       | 6 Peppertree Apartments<br>3105-3127 E. Fairmount Ave.   Phoenix, AZ |
| 3 Apartments on 38th St.<br>3234 N. 38th St.   Phoenix, AZ | 7 Casa Bonita Apartments<br>3205 E. Earll Dr.   Phoenix, AZ          |
| 4 The Reach<br>1855 E. Don Carlos Ave.   Tempe, AZ         | 8 Los Arcos<br>7221 E. Belleview St.   Scottsdale, AZ                |
| 5 Tempe Manor<br>1403 E. 8th St.   Tempe, AZ               | 9 Hilton Apartments<br>825 N. 2nd Ave.   Phoenix, AZ                 |

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