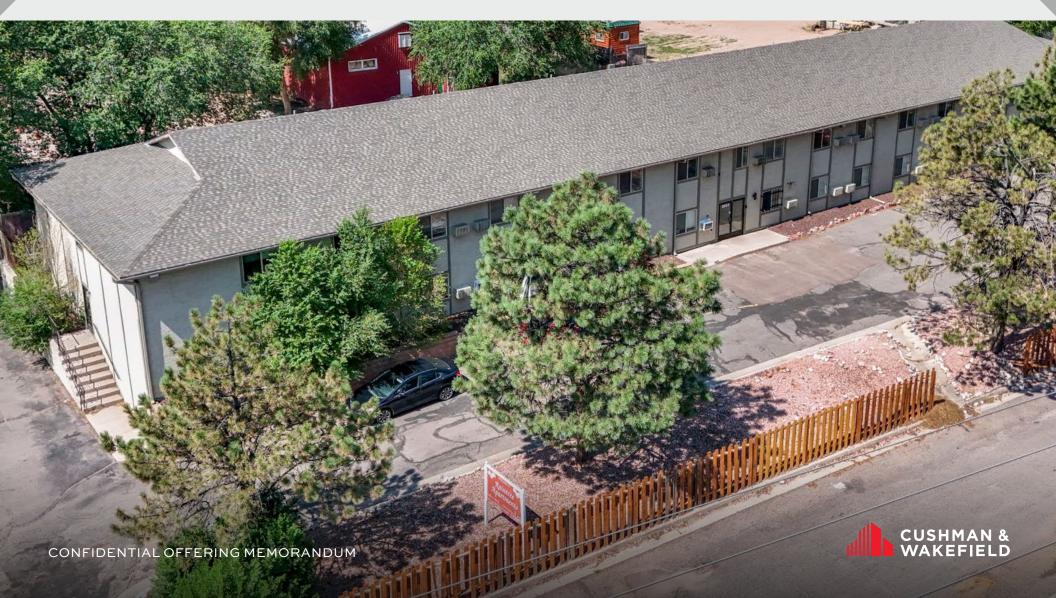
# **RAINTREE APARTMENTS**

2655 ORE MILL ROAD, COLORADO SPRINGS, CO 80904



### **CONFIDENTIALITY AGREEMENT**

THIS IS A CONFIDENTIAL MEMORANDUM intended solely for your limited use to determine whether you wish to express an interest in the property located at 2655 Ore Mill Road, Colorado Springs, CO 80904, as more particularly described herein ("Property"). This confidential memorandum contains brief, selected information pertaining to the business affairs of the Property's owner ("Owner") and has been prepared by Cushman & Wakefield, the Owner's exclusive agent, primarily from information supplied by the Owner. Although representatives of the Owner have reviewed this confidential memorandum, it does not purport to be all-inclusive or contain all of the information that a potential investor may desire. Neither the Owner, nor any of its members, officers, directors, employees or agents, nor Cushman & Wakefield make any representation or warranty, expressed or implied, as to the accuracy or completeness of any of the information contained herein. Both Owner and Cushman & Wakefield disclaim any liability which may be based on such information, errors therein, or omissions therefrom. All financial data contained herein is unaudited. The projections and proforma information contained herein represent estimates based on assumptions considered reasonable under the circumstances. No representations or warranties, expressed or implied, are made that the actual results will conform to such projections. There is no representation as to environmental conditions of the property, or as to any other aspect of the property. By your receipt of this confidential memorandum, you agree that this memorandum and the information contained herein are of a confidential nature and that you will hold and treat them in the strictest of confidence, and that you will not, directly or indirectly, disclose or permit anyone else to disclose this memorandum or any part of the contents in any fashion or manner detrimental to the interests of the Owner. Further, you agree not to discuss this memorandum with any other institution, potential investor or tenant without the express permission of Cushman & Wakefield and the Owner. Upon request, the recipient will promptly return this confidential memorandum and any other material received from the Owner or Cushman & Wakefield without retaining any copies thereof. This confidential memorandum shall not be deemed an indication of the state of affairs of the Owner or constitute an indication that there has been no change in the business or affairs of the Owner since the date of preparation of this memorandum. Neither the Owner nor Cushman & Wakefield undertakes any obligation to provide additional information or to correct or update any of the information contained in this confidential memorandum.



01 **Executive Summary** 02 **Property Overview** 03 Financials 04 Comparables

> 05 Location & Market



# EXECUTIVE SUMMARY

A SMART MOVE

(719) 417-8477



### **THE OFFERING**

Cushman & Wakefield is pleased to present the exclusive listing of the Raintree Apartments, a rare 1984 build on the Westside of Colorado Springs in Old Colorado City. This 26-unit multifamily asset is uniquely positioned at the foot of Pikes Peak and the entrance to the mountains heading West towards Manitou Springs and Woodland Park.

The Raintree Apartments has been meticulously kept by a long-term owner and is primed for a value-add investor to bring fresh capital to the asset and realize Westside premium rents. The property boasts 13 two bedroom units, two bath 850 sq ft units, 11 one bedroom / 1 bath 600 sq ft units, and 2 studio 450 sq ft units. Raintree Apartments is currently 100% occupied and offers tenants the opportunity to live in an undersupplied submarket within 1 mile to Downtown Colorado Springs and 3 miles to Downtown Manitou Springs where they can enjoy outdoor lifestyle activities, local shops, restaurants and nightlife

### **INVESTMENT HIGHLIGHTS**



Extremely Rare Westside 1984 construction asset



100% Occupancy with room for rent growth



Located in an under supplied submarket with limited future supply

### LISTING CONTACTS

#### PAT KNOWLTON

**Executive Director** Multifamily | Colorado & New Mexico Direct: +1 970 316 2973 pat.knowlton@cushwake.com

#### JEFF DIMMEN

Senior Director Multifamily | Colorado & New Mexico Direct: +1 719 459 5756 jeff.dimmen@cushwake.com

### **KEVIN PHELAN**

Senior Director Multifamily | Colorado & New Mexico Direct: +1 303 312 4246 kevin.phelan@cushwake.com

#### CHLOE ALLEN

Desirable unit mix of primarily 2 bed 2 bath units

Located in Old Colorado City with walkability to

outdoor lifestyle, shops, dining and entertainment

Brokerage Coordinator Multifamily | Colorado & New Mexico Direct: +1 770 820 5024 chloe.allen@cushwake.com

DISCLAIMER



### **PRICE:** CALL FOR GUIDANCE

The Property is being offered on an 'as-is, where-is' basis. The prospective purchaser will be selected by the Owner in consultation with C&W on the basis of (i) price (ii) track record of successful closing (iii) financial strength and (iv) level of discretion to invest funds.

Written notification will be sent regarding the bid date. Initial bids must be submitted, in writing, to the attention of Pat Knowlton. The Owner reserves the right to accept an offer prior to this date or to remove the Portfolio from the market at any time.



# PROPERTY OVERVIEW

CUSHMAN & WAKEFIELD

### **PROPERTY OVERVIEW**

Building Address 2665 Ore Mill Road Colorado Springs, CO 80904

Building SF 22,068 SF

Units 26 Units

Parking 35 Spaces

Zoning **C5** 



Occupancy 100%



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# **FINANCIALS**



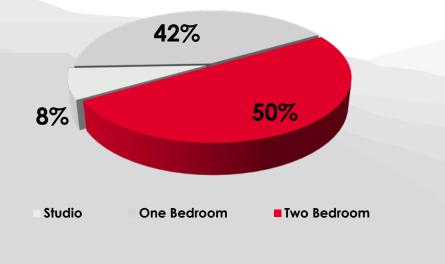
### **CASH FLOW**

## **RENT ROLL**

Unit Type	Unit Count	Square Feet	Total Square Feet	Average Rent / Unit / Month	Average Rent / SF / Month	Market Rent / Unit Month	Market Rent / SF / Month
Studio	2	450	900	\$893	\$1.98	\$993	\$2.21
One Bedroom/One Bathroom	11	600	6,600	\$985	\$1.64	\$1,085	\$1.81
Two Bedroom/Two Bathroom	13	850	11,050	\$1,159	\$1.36	\$1,259	\$1.48
	26	713	18,550	\$1,065	\$1.49	\$1,165	\$1.63

Unit Status	Unit Count	Percent
Occupied Units	26	100%
Total / Percentage	26	100%

UNIT DISTRIBUTION



### **EFFECTIVE RENT PREMIUMS**



#### INCOME

Effective Ren Gross Pote Gross Sche Total Vaca

Total Effectiv

EFFECTIVE GR

#### EXPENSES

Controllable

Repairs & Manageme

Total Contro

#### Non-Control

Real Estate

Insurance

Utilities -Utilities -

Utilities -

Utilities -

Total Non-Co

Reserves

### TOTAL EXPENS

NET OPERATIN

### CASH FLOW B

TOTAL FINANC

Debt Serv Debt Serv

### CASH FLOW A

Unleverag Leverageo

	Year 1	Year 2	Year 3	Year 4	Year 5
and all the same of					
ental Income					
otential Rent	374,384	385,616	397,184	409,100	421,373
cheduled Rent	374,384	385,616	397,184	409,100	421,373
cancy**	(18,719)	(19,281)	(19,859)	(20,455)	(21,069)
tive Rental Income	355,665	366,335	377,325	388,645	400,304
Income	65,827	67,802	69,836	71,931	74,089
	421,492	434,137	447,161	460,576	474,393
le 9 Maintenana		(27.010)	(27.400)	(27.0.40)	(24.420)
& Maintenance	(22,568)	(23,019)	(23,480)	(23,949)	(24,428)
ment Fee***	(29,504)	(30,390)	(31,301)	(32,240)	(33,208)
rollable	(52,072)	(53,409)	(54,781)	(56,190)	(57,636)
ollable		(17.10.4)	(17,700)		(17.000)
ate Taxes	(12,847)	(13,104)	(13,366)	(13,634)	(13,906)
e	(19,500)	(19,890)	(20,288)	(20,694)	(21,107)
- Electric	(23,401)	(23,869)	(24,346)	(24,833)	(25,329)
- Gas	(1,790)	(1,826)	(1,863)	(1,900)	(1,938)
- Water/Sewer	(10,497)	(10,707)	(10,921)	(11,139)	(11,362)
- Trash	(3,978)	(4,058)	(4,139)	(4,222)	(4,306)
Controllable	(72,013)	(73,453)	(74,923)	(76,421)	(77,949)
NSES	(124,086)	(126,862)	(129,704)	(132,611)	(135,585)
	297,407	307,275	317,458	327,965	338,808
BEFORE DEBT FINANCING	297,407	307,275	317,458	327,965	338,808
CING					
ICING					
rvice - Principal			(35,041)	(36,624)	(39,141)
rvice - Interest	(154,047)	(154,047)	(153,181)	(151,598)	(149,081)
AFTER DEBT FINANCING	143,359	153,227	129,236	139,743	150,586
ASH ON CASH RETURN					
aged Returns	7.00%	7.23%	7.47%	7.72%	7.97%
ed Returns	9.64%	10.30%	8.69%	9.39%	10.12%

### ASSUMPTIONS

	т	June 2024 railing 1 Month Actuals	% of GSR	Takeover C&W Projections	% of GSR	Per Unit	Year One Partially Renovated Projections	% of GSR	Year Two Fully Renovated Projections	% of GSR			June 2024 Trailing 12 Month Actuals	% of EGI	Takeover C&W Projections	% of EGI	Per Unit	Year One Partially Renovated Projections	% of EGI	Year Two Fully Renovated Projections	
INCOME											EXPENSES										
Effective Rental Income											Controllable										
Gross Potential Rent	Т3	332,280		332,280			374,384		385,616		Repairs & Maintenance	T12	22,568	5.67%	22,568	5.92%	868	22,568	5.35%	23,019	5.30%
											Management Fee***	T12	23,260	7.00%	26,705	7.00%	1,027	29,504	7.00%	30,390	7.00%
Gross Scheduled Rent		332,280		332,280			374,384		385,616		Total Controllable		45,828	11.51%	49,273	12.92%	1,895	52,072	12.35%	53,409	12.30%
Physical Vacancy				(16,614)	5.00%	(639)	(18,719)	5.00%	(19,281)	5.00%	Non-Controllable										
					5.000/	(070)	(10, 710)	5.0.00/	(10,001)	5.0.00/	Real Estate Taxes	FY2023	3 12,847	3.23%	12,847	3.37%	494	12,847	3.05%	13,104	3.02%
Total Vacancy**				(16,614)	5.00%	(639)	(18,719)	5.00%	(19,281)	5.00%	Insurance	T12	19,500	4.90%	19,500	5.11%	750	19,500	4.63%	19,890	4.58%
Economic Occupancy		100.00%		95.00%			95.00%		95.00%		Utilities - Electric	T12	23,401	5.88%	23,401	6.13%	900	23,401	5.55%	23,869	5.50%
Total Effective Rental Income		332,280	100.00%	315,666	95.00%		355,665	95.00%	366,335	95.00%	Utilities - Gas	T12	1,790	0.45%	1,790	0.47%	69	1,790	0.42%	1,826	0.42%
Iotal Ellective Kental Income		552,200	100.00%	515,000	95.00%		555,005	95.00%	300,333	95.00%	Utilities - Water / Sewer	T12	10,497	2.64%	10,497	2.75%	404	10,497	2.49%	10,707	2.47%
Other Income											Utilities - Trash	T12	3,978	1.00%	3,978	1.04%	153	3,978	0.94%	4,058	0.93%
Late Fees & Charges	Т3	5,885	1.77%	5,885	1.77%	226	5,885	1.57%	6,062	1.57%	Total Non-Controllable		72,013	18.09%	72,013	18.88%	2,770	72,013	17.09%	73,453	16.92%
Pet Fees & Charges	Т3	4,560	1.37%	4,560	1.37%	175	4,560	1.22%	4,697	1.22%											
Laundry Income	Т3	4,922	1.48%	4,922	1.48%	189	4,922	1.31%	5,069	1.31%	TOTAL EXPENSES		117,841	29.60%	121,286	31.79%	4,665	124,086	29.44%	126,862	29.22%
Utility Reimbursement	Т3	50,460	15.19%	50,460	15.19%	1,941	50,460	13.48%	51,974	13.48%											
											NET OPERATING INCOME		280,266	70.40%	260,207	68.21%	10,008	297,407	70.56%	307,275	70.78%
Total Other Income		65,827	19.81%	65,827	19.81%		65,827	17.58%	67,802	17.58%					·						
EFFECTIVE GROSS INCOME		398,107	119.81%	381,493	114.81%		421,492	112.58%	434,137	112.58%	CASH FLOW BEFORE FINANCING		280,266		260,207			297,407		307,275	
											Total Debt Service****		154,047		154,047			154,047		154,047	
											CASH FLOW AFTER DEBT SERVICE		126,219		106,160			143,359		153,227	

# COMPARABLES



### SALE COMPARABLES

### **BELMAR APARTMENTS**





Units **22** Sale Price \$4,075,000

Price/Unit **\$185,227** 

### **FOOTHILLS WEST APARTMENTS**





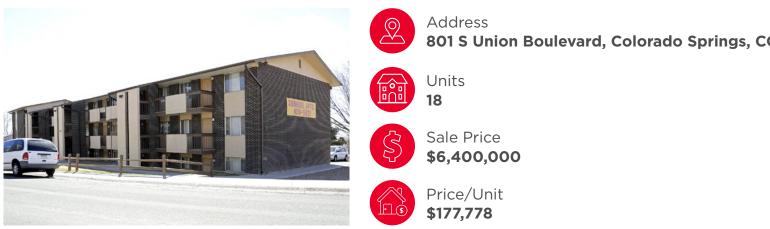
720 Melany Lane, Colorado Springs, CO 80907



Sale Price \$6,700,000





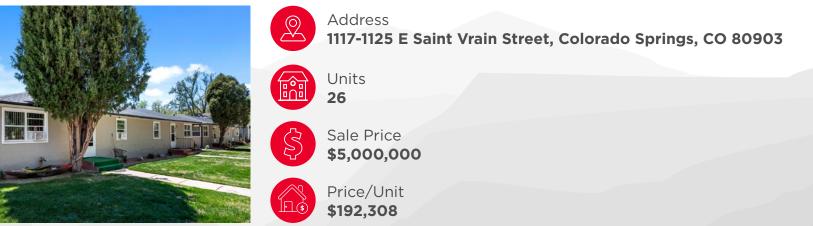


### THE THOMAS HOUSE



**24** RAINTREE APARTMENTS

#### **UNION BLVD APARTMENTS**



### SALE COMPARABLES

### **ARCADIA PLAZA APARTMENTS**



3128 N Arcadia Street, Colorado Springs, CO 80907 Units 26 Sale Price \$4,600,000

 $\bigcirc$ 

Price/Unit \$176,923

Address

### **2640 E MONUMENT STREET**





Address 2640 E Monument Street, Colorado Springs, CO 80909

Units



 $\bigcirc$ 

Sale Price \$1,350,000

Price/Unit \$168,750





### **RENT COMPARABLES**



KINGS APARTMENTS 2620 King Street Colorado Springs, CO 80904

Unit Type	Size (SqFt)	Rent Cost
1 Bedroom	500	\$1,099
2 Bedroom	725	\$1,299



WEST SIDE STATION 25 N 31st Street Colorado Springs, CO 80904

Unit Type	Size (SqFt)	Rent Cost
1 Bedroom	500	\$1,125
2 Bedroom	625	\$1,375



**RED ROCK MANOR** 421-425 E Fountain Place Manitou Springs, CO 80829

Unit Type	Size (SqFt)	Rent Cost
1 Bedroom	511	\$1,175
2 Bedroom	750	\$1,445



LEISURE APARTMENTS 2918 W Bijou Street Colorado Springs, CO 80904

Unit Type	Size (SqFt)	Rent Cost			
1 Bedroom	400	\$1,099			



## **RENT COMPS MAP**

KINGS APARTMENTS

LEISURE APARTMENTS

RAINTREE

APARTMENTS

WEST SIDE STATION

**Red Rock Canyon** Open Space

ManitouAve

CUSHMAN & WAKEFIELD 29





### WHY COLORADO SPRINGS?

Founded in 1871 by General William Jackson Palmer, Colorado Springs has transformed from a resort community to a thriving hub of culture, national pride and natural beauty. Colorado's second largest city is nestled against the backdrop of beautiful mountain landscapes and provides vibrant and diverse communities, a thriving workforce and an unparalleled guality of life for its residents.

Colorado Springs consistently ranks national lists as one of the best places to live, and with shorter commute times, great schools and affordable housing, these accolades are likely to continue for years to come. Located just short, 1.5-hour drive from Downtown Denver, Colorado, Colorado Springs is well-positioned for business and residential growth.

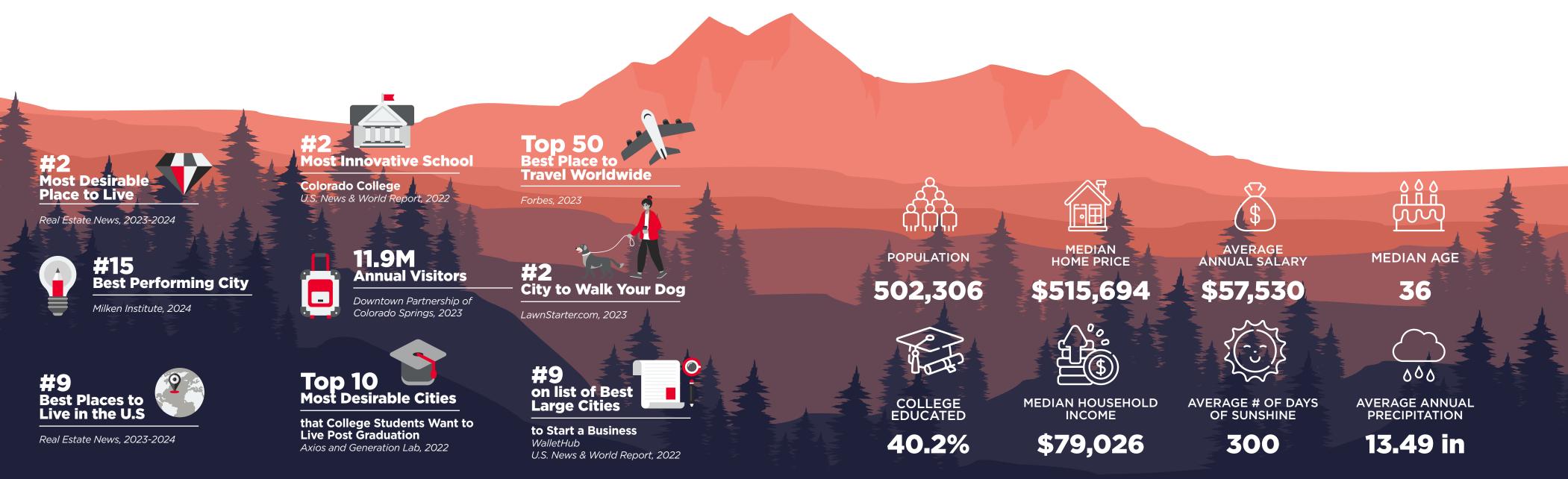
A popular tourist destination, due in large part to its access to a beautiful climate and breathtaking outdoor exploration opportunities, Colorado Springs is home to many attractions including Garden of the Gods, Pikes Peak, the United States Olympic Headquarters and Training Center, Chevenne Mountain Zoo, the United States Air Force Academy, and the world-renowned Broadmoor Hotel.

The Colorado Springs Chamber & Economic Development attributes the region's growth to the development of business expansions in technology, defense, and manufacturing, alongside a strong workforce and skilled talent pipeline. Diverse economic drivers, an incredible quality of life and a vibrant downtown keep Colorado Springs on the map for innovation and investment.

> Colorado Springs is a pioneering powerhouse that offers world-class innovation, accessibility and opportunity.

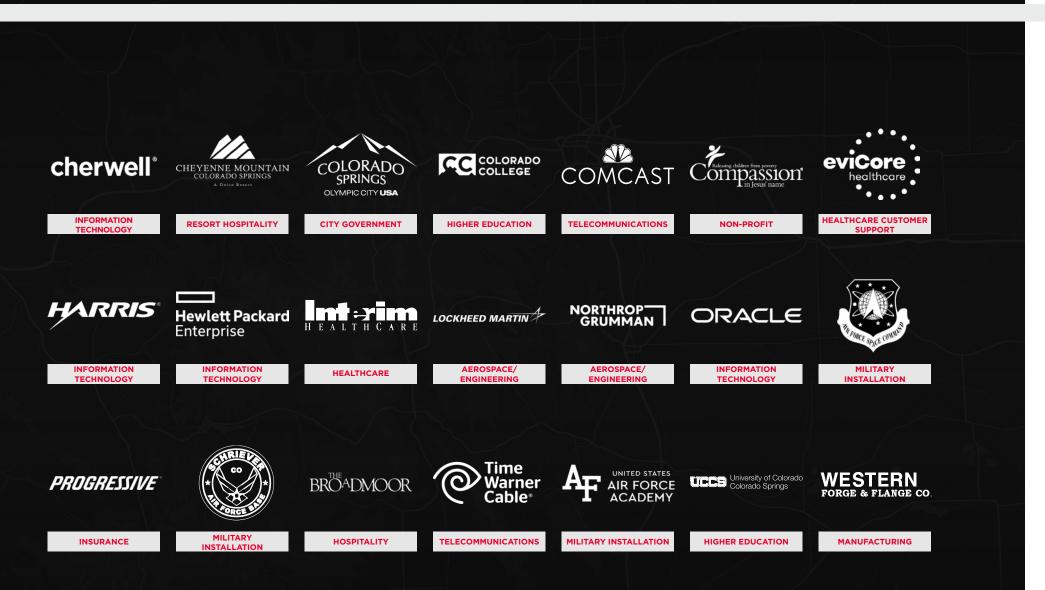
> Colorado: Business Comes to Life, siteselection.com

### **COLORADO SPRINGS ACCOLADES**



### **COLORADO SPRINGS** DEMOGRAPHICS

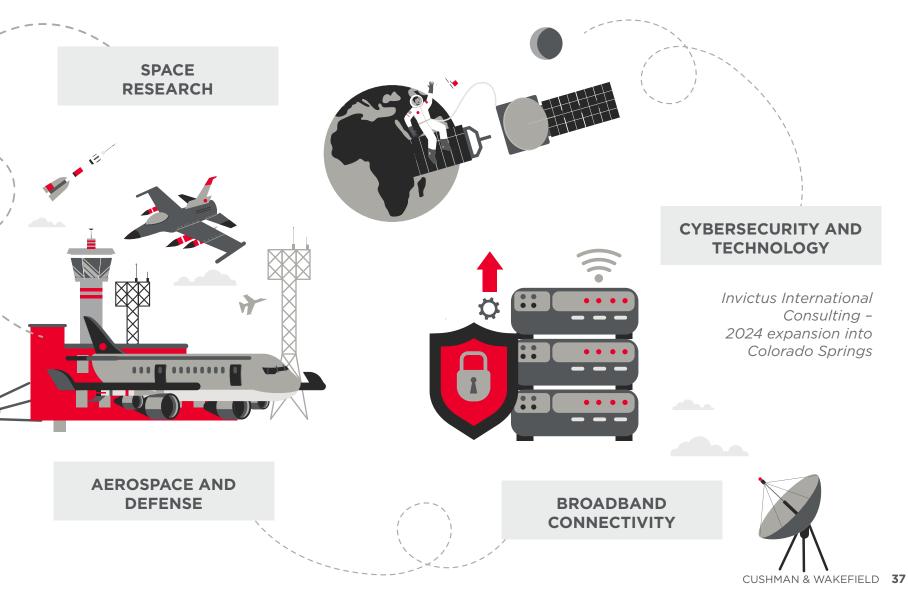
### **TOP COLORADO SPRINGS EMPLOYERS**



Expansions and new operations announced in 2023 will bring over \$2 billion in projected capital investments and almost 3,000 projected new jobs. That is also nearly \$1 billion in estimated economic output for our community — and could mean an additional 4,000 new service jobs that will be needed across the city to support these new businesses and their staff. (Coloradosprings.gov)

Source: https://denverrelocationguide.com/top-public-employers-in-colorado-springs/

### **TOP** INDUSTRIES



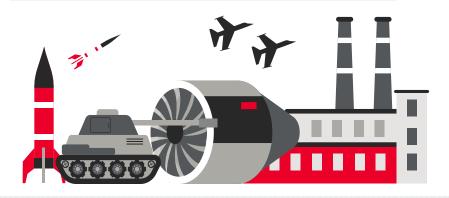
### **DIVERSE ECONOMIC** DRIVERS

The Pikes Peak Region boasts a strong and diverse economy and a thriving environment that supports business innovation and growth. Colorado Springs has more than 200 space, aerospace, and defense companies, many of which work in government and the commercial sector. Additionally, the city is strong in advanced manufacturing, cyber and software technology, healthcare, and tourism, which helps keep the economy diversified, resilient, and strong. (Colorado Springs Chamber & EDC)

### AEROSPACE AND DEFENSE

The aerospace and defense industry is a significant economic driver in Colorado Springs. The city is home to a cluster of aerospace companies, including defense contractors, research organizations and aerospace manufacturing firms. These companies contribute to the local economy by providing high-paying jobs, driving innovation and supporting related industries.

### Military and Aerospace Defense account for nearly 40% of economic output (about \$10B annually)





### **TOURISM AND HOSPITALITY**

Colorado Springs attracts a significant number of tourists each year, thanks to its natural beauty, outdoor recreational opportunities and historic attractions. The city serves as a gateway to popular destinations like Pikes Peak, Garden of the Gods and the Manitou Cliff Dwellings. The tourism and hospitality industry plays a vital role in the local economy, providing jobs, generating revenue from accommodations, restaurants, and entertainment, and supporting related services.

### **EDUCATION AND RESEARCH**

The city of Colorado Springs is home to several prominent educational institutions, including the University of Colorado Springs (UCCS) and the United States Air Force Academy. These institutions drive research and innovation, attract students and academics, and provide a skilled workforce for various industries.



Colorado Springs is home to:

- Catalyst Campus
- Space ISAC

### HEALTHCARE AND MEDICAL SERVICES

Colorado Springs has a robust healthcare sector that includes hospitals, medical research facilities and a wide range of healthcare services. The presence of major healthcare providers and specialized clinics contributes to the city's economy by creating jobs, attracting medical professionals and serving as a regional healthcare hub.

### HIGH-TECH AND CYBERSECURITY

Colorado Springs has a thriving high-tech sector, with a particular focus on cybersecurity and information technology. The city is home to numerous tech companies, research institutions and cybersecurity firms. The presence of U.S. military installations and the National Cybersecurity Center further bolsters this industry's growth, attracting talent and investment to the region.

 National Cybersecurity Center Invictus International Consulting

# **BIG PROJECTS**

### **USSPACE**COM **U.S. SPACE COMMAND**

contract, 5-year project, 300+ jobs

Space Command could bring the region a long-term economic boost of over \$1 billion.



### **PEAK INNOVATION PARK**

**1,600-acre** master-planned business park

Will include 90,000 sf Space Warfighting Center



### FORD AMPHITHEATER

**t** open-air amphitheater, opening in 2024

Part of a \$90 million entertainment campus and iconic Colorado Springs views.

### **LIVING IN COLORADO SPRINGS**

Colorado Springs boasts scenic landscapes, innovative education institutions and culture-rich communities throughout its footprint of over 200 square miles (Colorado's largest city in land mass). The city offers a true live-work-play environment, as it's home to over 65 art galleries, artistic centers, an exciting nightlife and plenty of options for any sports or outdoor enthusiast. Colorado Springs has a strong emphasis on education, with reputable schools, colleges and universities. The city's low crime rate, affordable housing and access to healthcare also contribute to the high quality of life enjoyed by its residents.

#### ALTITUDE AND NATURAL BEAUTY

Colorado Springs boasts an impressive elevation of approximately 6,035 feet (1.839 meters) above sea level, making it one of the highest cities in the United States. This high-altitude location provides the city with breathtaking mountain views, crisp mountain air and a favorable climate for any outdoor activity. Nestled at the eastern foot of the Rocky Mountains, Colorado Springs is renowned for its stunning natural beauty. The city is also home to numerous natural attractions, including the iconic Garden of the Gods, Pikes Peak and the Manitou Incline - a challenging hiking trail with a 2,000-foot elevation gain.



#### **OUTDOOR RECREATION**

With its proximity to the Rocky Mountains, Colorado Springs offers an unparalleled gateway to numerous hiking and biking trails, rock climbing destinations and camping spots. It has over 9,000 acres of parks and open spaces and 230 miles of hiking & biking trails.

### MILITARY PRESENCE

Colorado Springs houses several prominent military installations, including the United States Air Force Academy, the Peterson Air Force Base, Shriever Air Force Base and the North American Aerospace Defense Command (NORAD). These military institutions play a crucial role in national defense and aerospace operations.

**OLYMPIC CITY USA** Colorado Springs is proudly named "Olympic City USA", serving as the headquarters for the United States Olympic Committee and the home of the United States Olympic Training Center. This prestigious designation emphasizes the significance of Colorado Springs within the world of sports and highlights its commitment to supporting elite athletes.

### **Colorado has the second-largest space** economy in the U.S., with more than



(Colorado Springs Chamber & EDC)

# BROKERTEAM S.C.W.OVERVIEW

42 RAINTREE APARTMENTS

CUSHMAN & WAKEFIELD 4

### **BROKER TEAM**

### **INVESTMENT SALES**



**VALUATION & ADVISORY** 



MARK LODMILL **Executive Director** 

**KELLY LEHMAN** Director





MICHAEL BROWN Managing Director



**BRENDA MARTINEZ** Senior Regional Property Manager



**AVERY SOLOMON Senior Managing** Director

#### **INVESTMENT SALES SUPPORT**



**CHLOE ALLEN** Brokerage Coordinator Brokerage Coordinator



**KYLA PALMER CRAIG BRANTON** Vice Chair

DEBT PLACEMENT



**CHRIS BOURGEOIS** Director



**KEITH PADIEN** Executive **Managing Director** 





Senior Marketing

Manager

**KATY WILSON** Senior Marketing Manager



### **INVESTMENT SALES CONTACTS**

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