6670-6690 PAHOKEE CT

6670-6690 PAHOKEE COURT, COLORADO SPRINGS, CO 80915

CONFIDENTIAL OFFERING MEMORANDUM



CONFIDENTIALITY AGREEMENT

and Cushman & Wakefield disclaim any liability which may be based on material received from the Owner or Cushman & Wakefield without retaining to correct or update any of the information contained in this confidential



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Property Overview

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04 Comparables

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EXECUTIVE SURMARY



THE OFFERING

Cushman & Wakefield is pleased to present 6670-6690 Pahokee Ct an exceptional multifamily real estate offering located in East Colorado Springs, Colorado. 6670-6690 Pahokee Ct is an 8-unit multifamily property located in Cimarron Hills, minutes from the Powers Corridor and Peterson Space Force Base. This turn-key property features a desirable unit mix of all 850 square foot 2-bedroom and 1-bathroom units.

This well-maintained asset has received significant capital improvements including a new asphalt parking lot, updated stucco exterior, updated double-pane vinyl windows, 5-unit renovations, and much more. The property also features individual gas and electric meters, with tenants paying full utility reimbursements. The property currently has below market rents with four leases turning before the end of the year and up to \$200 -\$300 premiums on those leases. These two-bed units feature large bedrooms and fireplaces. Tenants also have access to on-site coin operated laundry.

Boasting a prime location and easy accessibility to a plethora of dining options, shopping destinations, and entertainment venues, this property presents an ideal living experience for residents. The property offers plenty of parking for tenants & extra storage facilities. Situated with easy access to Powers Blvd & HWY 24, residents can enjoy seamless commutes and convenient connectivity to surrounding areas. 6670-6690 Pahokee Ct presents an incredible opportunity to enhance value through loss to lease recapture and continued property improvements.

INVESTMENT HIGHLIGHTS



Operational-Add Potential: Well-maintained asset with significant capital improvements including 5 unit renovations, new double pane vinyl windows, exterior stucco, and repaved parking lot. Opportunity to increase leases as unit turns & capitalize on loss to lease.



Desirable location near retail, dining, and employment hubs including Powers Corridor, Peterson Space Force Base, and Peak Innovation Park.



Flexible Financing: Opportunity to finance as an 8-unit commercial product ~or~ two separate residential four-unit properties.

LISTING CONTACTS

LEE WAGNER Director

Multifamily | Colorado & New Mexico Direct: +1 417 459 2155 Lee.Wagner@cushwake.com

JEFF DIMMEN

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

NIC POLASKI

Associate Multifamily | Colorado & New Mexico Direct: +1 719 238 9074 Nic.Polaski@cushwake.com

CHLOE ALLEN

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

DISCLAIMER



PRICE: \$1,370,000

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 Lee Wagner. 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



PROPERTY OVERVIEW



Building Address 6670-6690 Pahokee Ct, Colorado Springs, CO 80915

Building SF **6,832 SF**

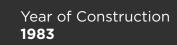


Land Area 24,242 SF

P C

Parking 16 Spaces

Units 8 Units



Occupancy 88%









O CE FINAL CIALS



18 6670-6690 PAHOKEE CT



UNIT

Two Bedroom

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
Two Bedroom / One Bathroom	8	800	6,400	\$1,009	\$1.26	\$1,350	\$1.69
	8	800	6,400	\$1,009	\$1.26	\$1,350	\$1.69

	Unit Status	Unit Count	Percent				
	Occupied Units	7	88%				
I DISTRIBUTION	Available Units	1	13%				
	Total / Percentage	8	100%				
100%							
	EFFECTIV	EFFECTIVE RENT PREMIUMS					
	\$1.600						





CASH FLOW

	Acquisition	Year 1	Year 2	Year 3	Year 4	Year 5
INCOME						
Effective Rental Income						
Gross Potential Rent		133,488	137,493	141,617	145,866	150,242
Gross Scheduled Rent		133,488	137,493	141,617	145,866	150,242
Total Vacancy**		(6,674)	(6,875)	(7,081)	(7,293)	(7,512)
Total Effective Rental Income		126,814	130,618	134,537	138,573	142,730
Total Other Income		9,395	9,677	9,967	10,266	10,574
EFFECTIVE GROSS INCOME		136,209	140,295	144,504	148,839	153,304
EXPENSES						
Controllable						
Total Property R&M		(7,200)	(7,344)	(7,491)	(7,641)	(7,794)
Management Fee		(10,125)	(10,428)	(10,741)	(11,063)	(11,395)
Total Controllable		(17,325)	(17,772)	(18,232)	(18,704)	(19,189)
Non-Controllable						
Total Real Estate Taxes		(4,554)	(4,645)	(4,738)	(4,832)	(4,929)
Insurance		(7,350)	(7,497)	(7,647)	(7,800)	(7,956)
Total Utilities		(7,595)	(7,747)	(7,902)	(8,060)	(8,221)
Total Non-Controllable		(19,499)	(19,889)	(20,286)	(20,692)	(21,106)
TOTAL EXPENSES		(36,823)	(37,661)	(38,518)	(39,396)	(40,295)
NET OPERATING INCOME		99,386	102,634	105,985	109,443	113,009
PURCHASE PRICE / NET RESIDUAL VALUE						
Purchase Price / Net Residual Value	(1,370,000)					
CASH FLOW BEFORE DEBT FINANCING	(1,370,000)	99,386	102,634	105,985	109,443	113,009
DEBT FINANCING						
Loan Amount	959,000					
Debt Service - Interest		(59,020)	(59,020)	(59,020)	(59,182)	(59,020)
CASH FLOW AFTER DEBT FINANCING	(411,000)	40,365	43,614	46,965	50,261	53,989
INVESTOR CASH ON CASH RETURN						
Unleveraged Returns		7.25%	7.49%	7.74%	7.99%	8.25%
Leveraged Returns	8.88%	9.82%	10.61%	11.43%	12.23%	13.14%

ASSUMPTIONS

		August 2024 In-Place UW 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			August 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	% of EGI
INCOME											EXPENSES										
Effective Rental Income											Controllable										
	Place JW	96,840		129,600			133,488		137,493		Repairs & Maintenance	In-Place UW	7,200	7.11%	7,200	5.43%	900	7,200	5.29%	7,344	5.23%
Gross Scheduled Rent		96,840		129,600			133,488		137,493		Management Fee***	In-Place UW	0	0.00%	9,850	7.43%	1,231	10,125	7.43%	10,428	7.43%
											Total Controllable		7,200	7.11%	17,050	12.87%	2,131	17,325	12.72%	17,772	12.67%
	Place JW	(4,842)	5.00%	(6,480)	5.00%	(810)	(6,674)	5.00%	(6,875)	5.00%	Non-Controllable										
Total Vacancy**		(4,842)	5.00%	(6,480)	5.00%	(810)	(6,674)	5.00%	(6,875)	5.00%	Real Estate Taxes	FY2023	4,554	4.50%	5,008	3.78%	626	4,554	3.34%	4,645	3.31%
Economic Occupancy		95.00%	5.00%	95.00%	5.00%	(810)	95.00%	5.00%	95.00%	5.00%	Insurance	In-Place UW	7,000	6.92%	7,350	5.55%	919	7,350	5.40%	7,497	5.34%
Total Effective Rental Income		91,998	95.00%	123,120	95.00%		126,814	95.00%	130,618	95.00%	Utilities - Electric	In-Place UW	7,595	7.50%	7,595	5.73%	949	7,595	5.58%	7,747	5.52%
Other Income											Total Non-Controllable		19,149	18.92%	19,953	15.06%	2,494	19,499	14.32%	19,889	14.18%
Expense Reimbursements	Place	7,407	7.65%	7,595	5.86%	949	7,595	5.69%	7,823	5.69%											
0	JW	7,407	7.0070	7,000	5.0070	545	7,333	5.0570	7,023	5.0570	TOTAL EXPENSES		26,349	26.03%	37,003	27.92%	4,625	36,823	27.03%	37,661	26.84%
	Place JW	1,800	1.86%	1,800	1.39%	225	1,800	1.35%	1,854	1.35%	NET OPERATING INCOME		74,856	73.97%	95,512	72.08 %	11,939	99,386	72.97 %	102,634	73.16%
Total Other Income		9,207	9.51%	9,395	7.25%		9,395	7.04%	9,677	7.04%			7-1,000		00,012	/	11,000		//	102,001	7011070
											CASH FLOW BEFORE FINANCING		74,856		95,512			99,386		102,634	
EFFECTIVE GROSS INCOME		101,205	104.51%	132,515	102.25%		136,209	102.04%	140,295	102.04%	Total Debt Service****		59,020		59,020			59,020		59,020	
											CASH FLOW AFTER DEBT SERVICE		15,836		36,492			40,365		43,614	

COMPARABLES



SALE COMPARABLES



 313, 314 & 321 BONNIE COURT

 Address: 313, 314 & 321 Bonnie Ct, Colorado Springs, CO

 Units: 12

 Sale Price: \$2,250,000

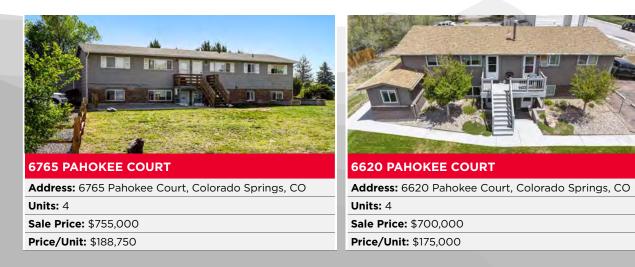
 Price/Unit: \$187,500



Address: 1775-1785 Zebulon Dr, Colorado Springs, CO Units: 8 Sale Price: \$1,454,000 Price/Unit: \$181,750



Address: 1104-1116 Mazatlan Circle, Colorado Springs, CO Units: 16 Sale Price: \$2,800,000 Price/Unit: \$175,000



East Colorado Springs



RENT COMPARABLES



6765 PAHOKEE COURT

Address: 6765 Pahokee Court, Colorado Springs, CO 80915

Unit Type: 2 Bedroom

Rent Cost: \$1,450



33 UNIVERSITY DRIVEAddress: 33 University Drive, Colorado Springs, CO 80915Unit Type: Two BedroomRent Cost: \$1,400



6730 PAHOKEE COURT

Address: 6730 Pahokee Court, Colorado Springs, CO 80915

Unit Type: Two Bedroom

Rent Cost: \$1,300



6620 PAHOKEE COURT

Address: 6620 Pahokee Court, Colorado Springs, CO 80915

Unit Type: Two Bedroom

Rent Cost: \$1,395

East Colorado Springs





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.

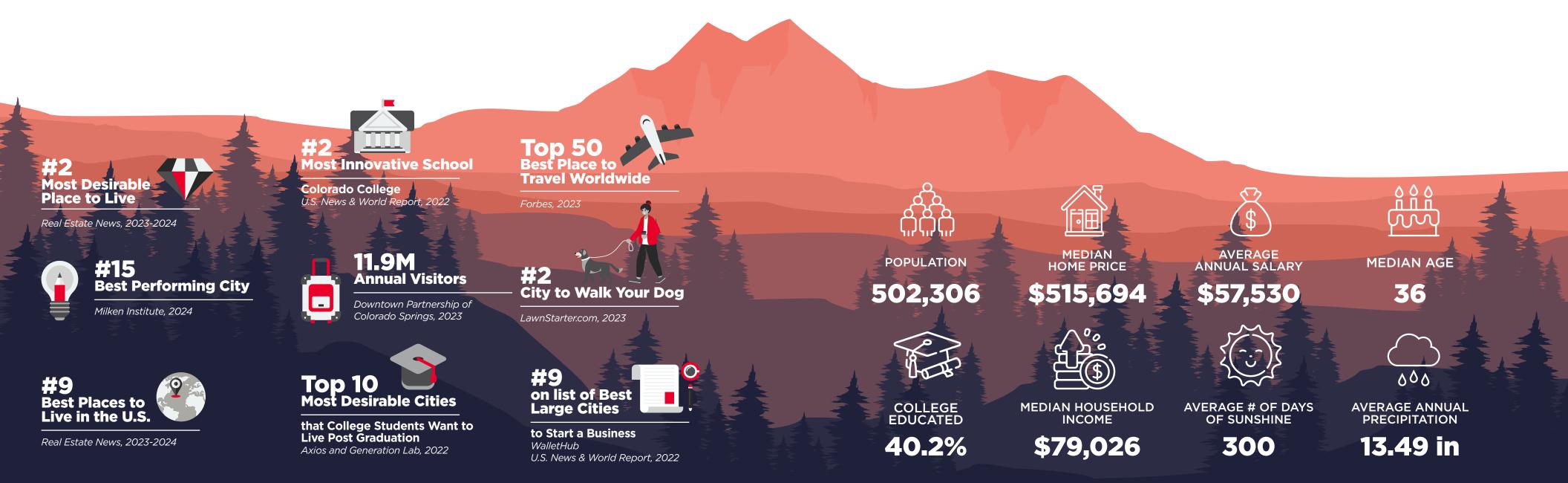
A popular tourist destination, due in large part to its access to a beautiful climate and breathtaking outdoor exploration opportunities, Colorado Springs is home to many attractions including Garden of the Gods, Pikes Peak, the United States Olympic Headquarters and Training Center, Chevenne Mountain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

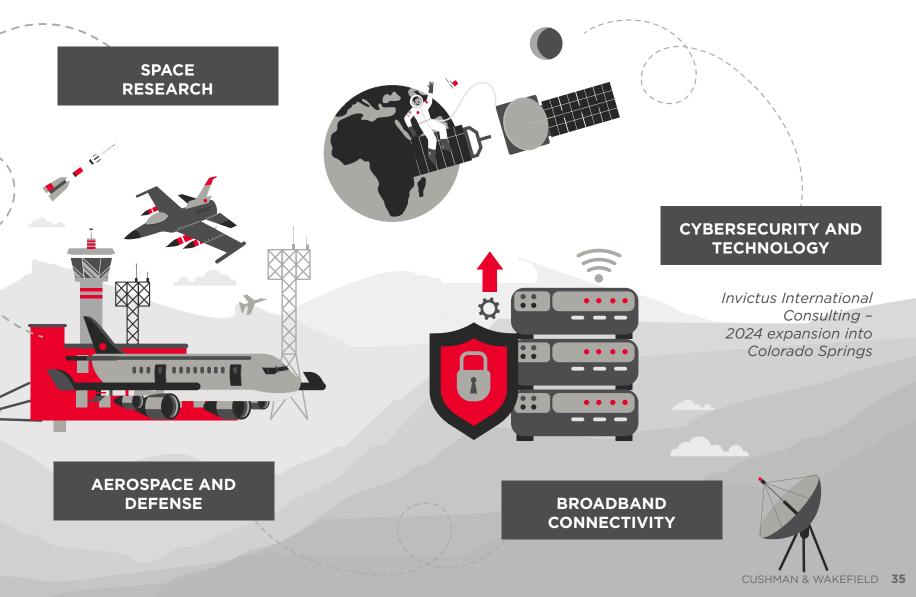
TOP COLORADO SPRINGS EMPLOYERS



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

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)

TOP INDUSTRIES



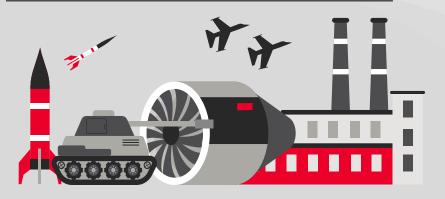
DIVERSE ECONOMIC DRIVERS

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

USSPACECOM U.S. SPACE COMMAND

\$187M contract, 5-year project, 300+ jobs

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



500-acre master-planned business park

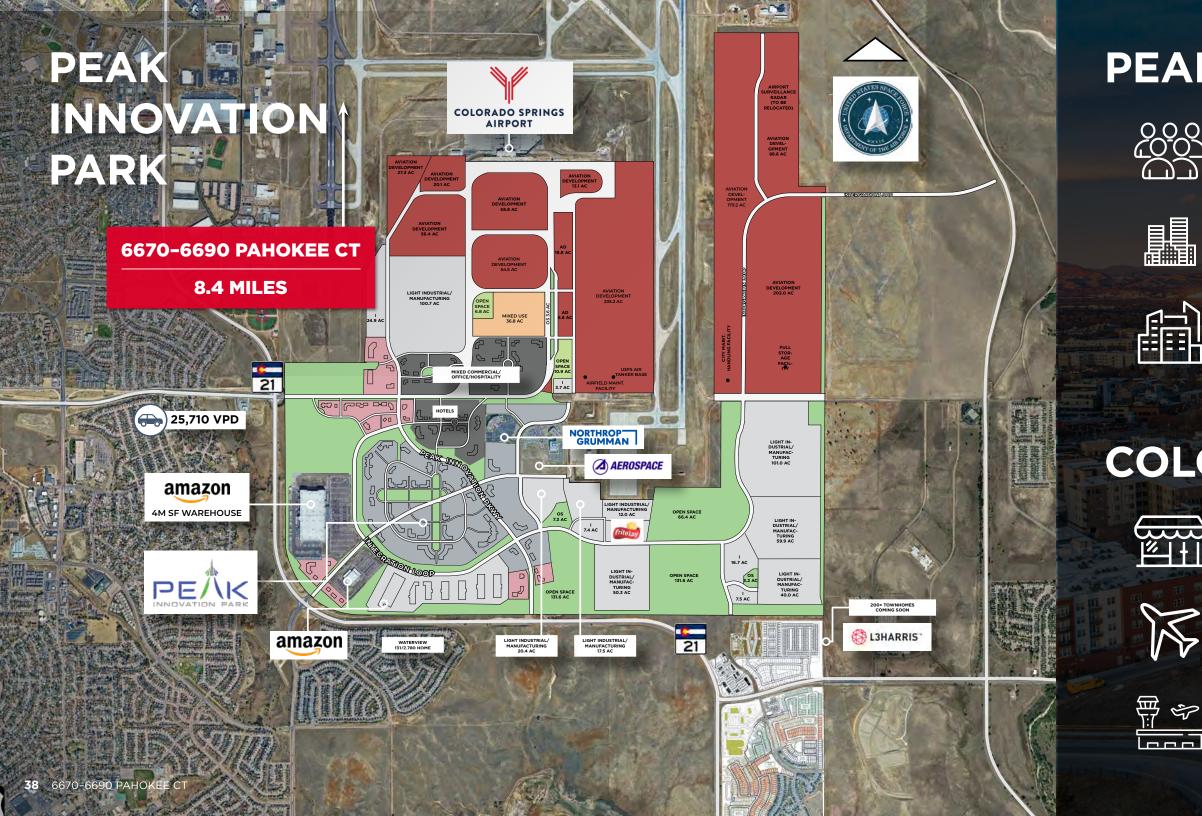
Will include 90,000 sf Space Warfighting Center



FORD AMPHITHEATER

t open-air amphitheater, opening in 2024

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



PEAK INNOVATION PARK

Peak Innovation Park is on pace to become one of Colorado's largest employment centers. At full build out, it is planned to employ between 35,000 to 40,000 people.

The 2,000+ acre airport business park is slated to be bigger than the 1,200-acre Denver Tech Center, with an additional 562 acre land acquisition recently completed just East of the airport.

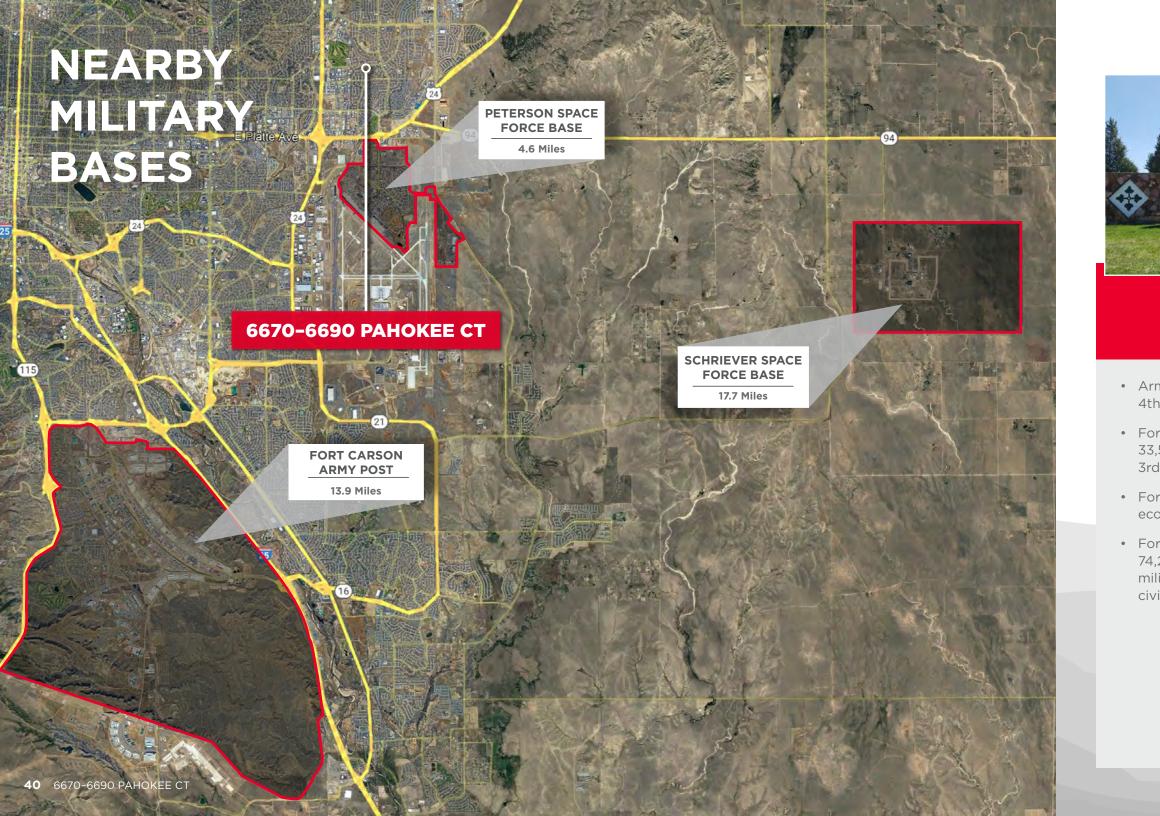
The Park is already home to multiple Fortune 100 companies including Amazon, Northrop Grumman, Frito Lay, Coca-Cola, Pepsi, and the Aerospace Corporation.

COLORADO SPRINGS AIRPORT

The COS Airport now offers daily, nonstop flights to Atlanta, Burbank, Baltimore/Washington, Chicago, Denver, Dallas/ Fort Worth, Houston, Las Vegas, Long Beach, Phoenix, Salt lake City.

New seasonal offerings now include flights to San Diego, Los Angeles, San Antonio, and Minneapolis/St. Paul airports.

The Colorado Springs Airport is undergoing a 4-year, \$38 MM modernization that will update the concourse's aging infrastructure, add new food and beverage outlets, and increase the terminal's sustainability and accessibility.





FORT CARSON ARMY POST

- Army Times named Fort Carson as 4th top duty station in the US Army
- Fort Carson has approximately 33,500 employees and is ranked the 3rd largest employer in Colorado
- Fort Carson provides a \$2.4 Billion economic impact annually
- Fort Carson's total population is 74,213, comprised of active duty military, family members, reserve, civilians & contractors



SCHRIEVER SPACE FORCE BASE

- Schriever Space Force Base provides a back-up control node for support of existing and planned satellite constellations and operation support center for NASA's space shuttle
- Currently 8,100 personnel work on Schriever SFB including 1,556 USSF Guardians and 533 USAF Airmen
- Employs nearly 1,000 government civilians
- The base indirectly contributes an estimated \$1.3 Billion to the local Colorado Springs annually
- The U.S. Space Force's Space Delta 15, activated in March 2023, is expected to be permanently based at Schriever SFB, along with the new 75th Intelligence, Surveillance, and Reconnaissance Squadron



PETERSON SPACE FORCE BASE

- Peterson Space Force Base supports 111 mission partners including North American Aerospace Defense Command, U.S. Northern Commmand, U.S. Space Command, Space Operations Command and the 302nd Airlift Wing (Reserve)
- Peterson shares runways with the Colorado Springs Airport
- Peterson's population includes:
- 8,750+ active duty
- 1,325+ reservists
- 10,200+ family members
- 1,901 civilians
- 23,000+ Space Force/Air Force/Navy/ Marine/Army/Coast Guard Retirees

INVESTMENT SALES CONTACTS



LEE WAGNER Director

Director



JEFF DIMMEN Senior Director



NIC POLASKI Associate



CHLOE ALLEN Brokerage Coordinator

LEE WAGNER

Director Multifamily | Colorado & New Mexico Direct: +1 417 459 2155 lee.wagner@cushwake.com

JEFF DIMMEN

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

NIC POLASKI

Associate Multifamily | Colorado & New Mexico Direct: +1 719 238 9074 nic.polaski@cushwake.com

CHLOE ALLEN

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

