

Signature 18 Apartments

Offering Memorandum

2014 W. Berridge Ln, Phoenix AZ 85015



Offering Price: \$4,770,000

Total Units: 18
\$265,000/Unit

Fully Renovated - Great Unit Mix
6.23% Pro-Forma CAP Rate

Prepared & Listed By

Collin Corsmeier | Home Smart Real Estate
612.770.1717 | corsmeiercollin@gmail.com

Signature 18 Apartments

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Send email to: corsmeiercollin@gmail.com
for Rent Roll





Property Information

PRICE	\$4,770,000
PRICE PER UNIT	\$265,000
PRICE PER SF	\$314
PROFORMA CAP	6.23%
TERMS	All Cash / New Loan
PROPERTY TOURS	Upon Accepted Offer
ADDRESS	2014 W. Berridge Ln, Phoenix AZ 85015
TOTAL UNITS	18
YEAR BUILT	1961 Renovated: 2023
TOTAL SQUARE FEET	15,200 SF
ELECTRIC METERING	Individual
BUILDING TYPE	Block
ROOF TYPE	Flat
NUMBER OF STORIES	2
NUMBER OF BUILDINGS	1
ACREAGE	0.634
PARCEL NUMBERS	156-13-086-A

Unit Type	# of Units	Size (SF)	Total SF
1 Bed / 1 Bath	4	600	2,400
2 Bed / 1 Bath	6	800	4,800
3 Bed / 2 Bath	8	1,000	8,000
Totals/Avg	18	800 SF	15,200 SF

THE OPPORTUNITY

Introducing Signature 18, a fully occupied, gated complex nestled in the dynamic heart of Phoenix. This property stands as a prime investment opportunity, boasting a solid proforma cap rate of 6.23% with a potential net operating income of \$300,000. Positioned near key amenities like Abrazo Hospital's Central Campus, Christown Spectrum Mall, and convenient transit options, its location combines urban accessibility with the tranquility of a secluded retreat.

The complex has seen significant capital improvements under current ownership, aimed at enhancing aesthetics, operational efficiency, and security. These upgrades include the installation of desert landscaping throughout the courtyard, effectively reducing water expenses by eliminating the need for sprinkler systems. Parking areas have been revitalized with new repaving, and the property's exterior trim and doors freshly painted, elevating its curb appeal.

Security enhancements are notable, with the addition of new LED motion-sensing lights and security cameras, providing a safe and inviting environment for residents. The complex also boasts newly installed modern gate locks for improved access control.

From an operational standpoint, numerous units have been upgraded with new stainless steel appliances, including washers/dryers, microwaves, and refrigerators, further increasing the property's appeal to potential renters. Additionally, the roof has been meticulously re-sealed with new elastomer to ensure longevity, and the swimming pool's pump components upgraded for dependable operation.

For resident enjoyment, a new dog run area with a locking fence and dedicated trash container has been added, enhancing the community feel of the complex.

Signature 18 represents a turn-key investment with immediate cash flow, bolstered by thoughtful improvements that promise long-term operational savings and tenant satisfaction. This property is an exceptional opportunity for investors seeking to capitalize on Phoenix's growing rental market, with a strong existing income stream and potential for future value appreciation.

INVESTMENT HIGHLIGHTS

Central Phoenix Location: Situated near Abrazo Hospital, Christown Spectrum Mall, and transit options, blending urban access with privacy.

Strong Financials: Boasts a 6.23% proforma cap rate with a potential net operating income of \$300,000, highlighting its profitability.

Fully Occupied & Secure: A gated, fully occupied complex, ensuring consistent income and resident security.

Capital Improvements: Recent investments in aesthetics, efficiency, and security, including landscaping and exterior enhancements.

Reduced Water Costs: Desert landscaping cuts water expenses by removing the need for sprinklers.

Enhanced Security: New LED lights, security cameras, and modern gate locks improve resident safety.

Upgraded Units: Apartments feature new stainless steel appliances, adding to tenant appeal.

Facility Upgrades: Roof re-sealing and pool pump improvements for maintenance efficiency; addition of a dog run enhances community feel.

Investment Ready: Immediate cash flow with potential for future savings and tenant satisfaction, making it an attractive Phoenix market investment.



IN-UNIT FEATURES



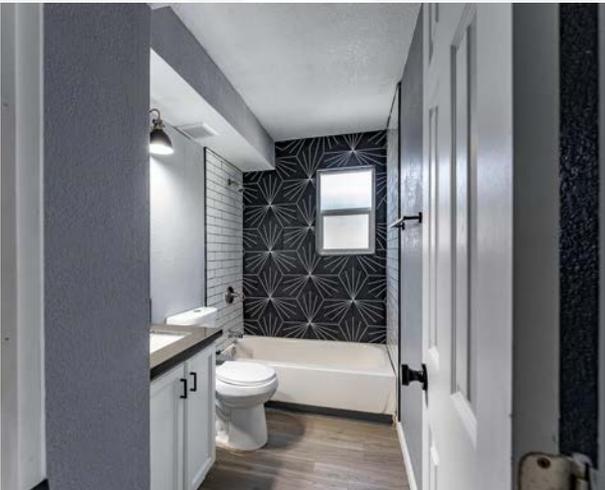
Fully Appointed Kitchens with Steel Dishwasher



Updated Tile Bathrooms



Wood Flooring and Built-In Closets



Contemporary Bathrooms



In-Suite Washers & Dryers



Spacious Bedrooms

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Property Photos



Exterior Photos

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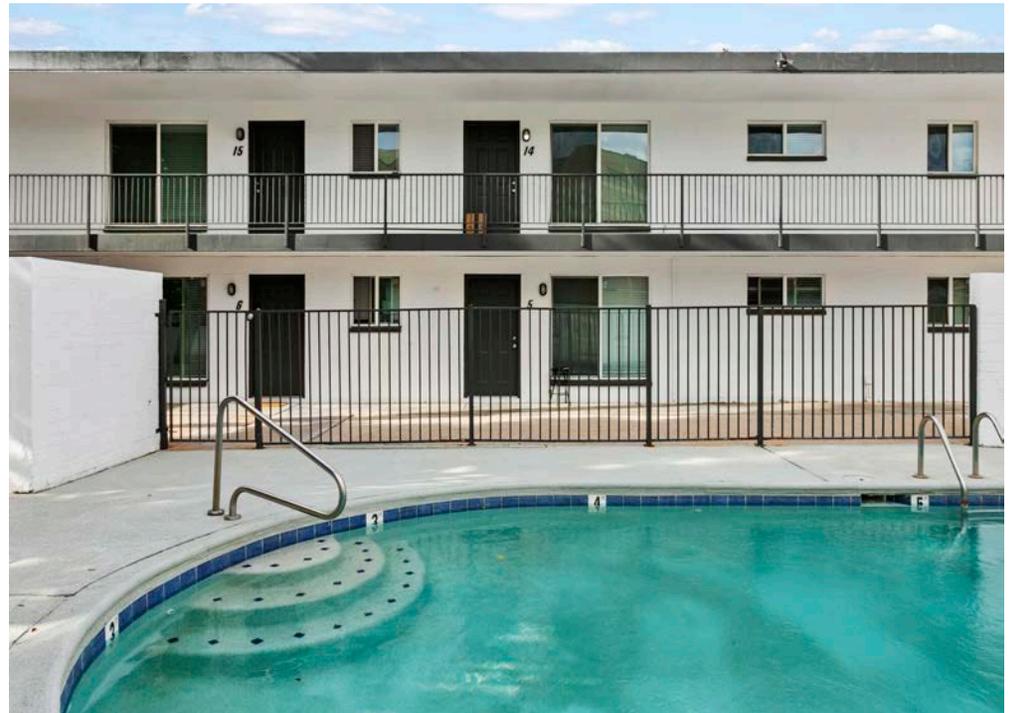
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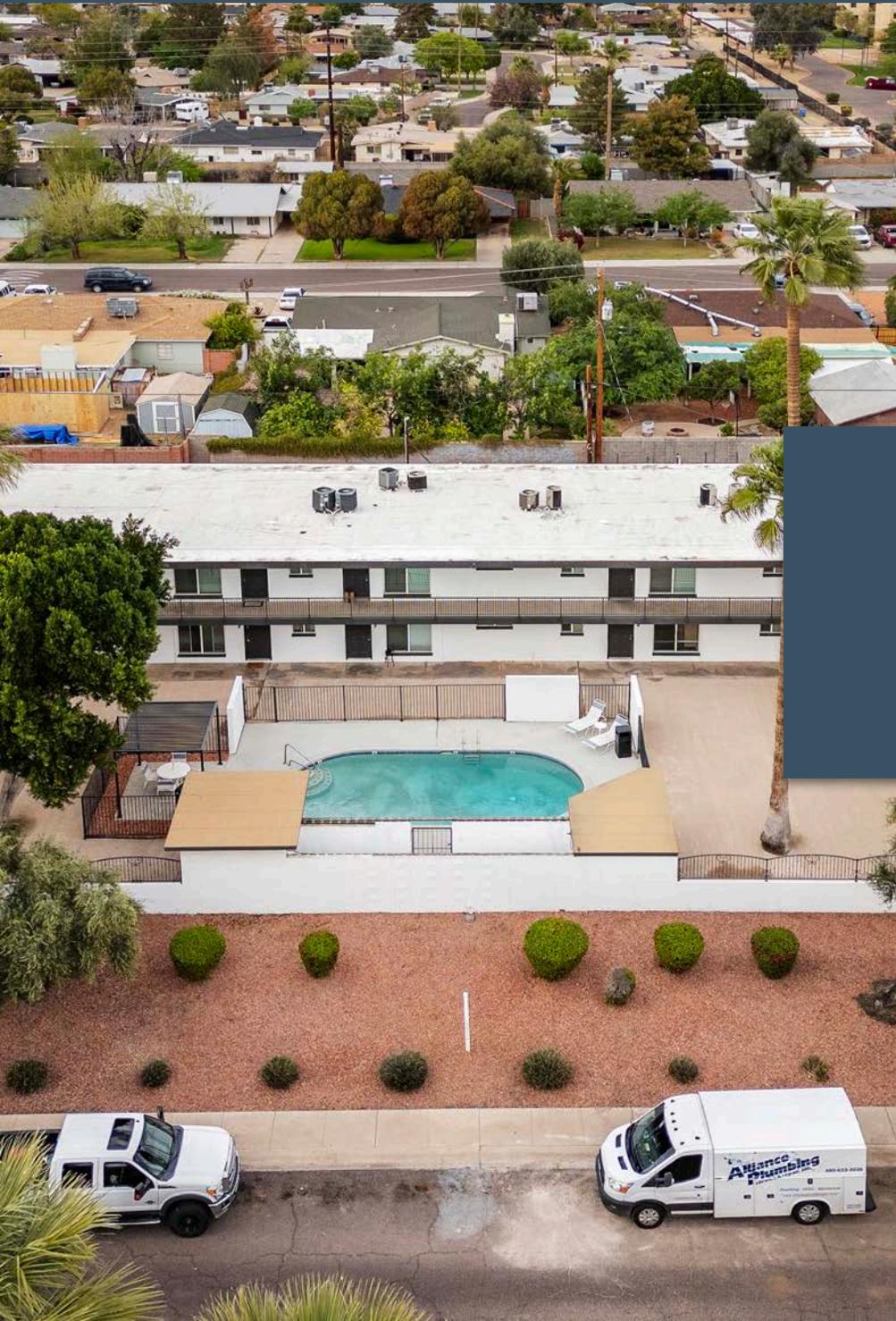
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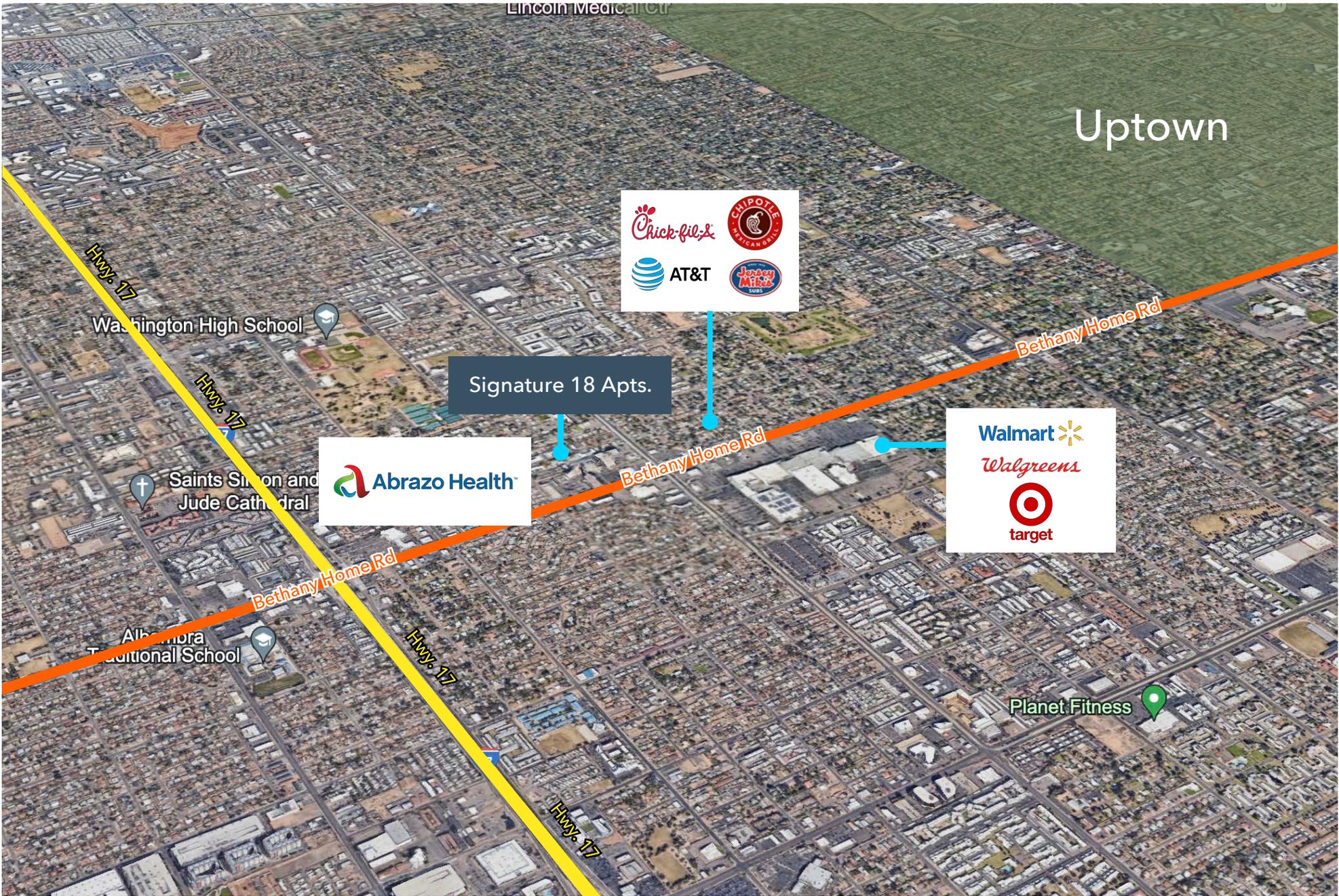


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Location Overview



Top 25 Employers – North Central Phoenix Submarket

Employer Name	# of	Industry
Dignity Health	5,046	Health Care
Carl T. Hayden VA Medical Center	3,300	Health Care
Sate of Arizona	2,716	Government Services
Banner Health	2,370	Health Care
Charles Schwab & Co. Inc.	2,130	Business Services
Phoenix Indian Health Service	1,190	Health Care
Allied Universal	950	Business Services
CenturyLink Communications	900	Telecommunications
Veterans Administration Health Systems	860	Government Services
Cisco Systems Inc.	690	High Tech Manufacturing
Cable One Inc.	680	Telecommunications
Arizona Biltmore Resort	650	Hospitality, Tourism
Allison Shelton Real Estate Services Inc.	630	Finance, Insurance, Real Estate
Phoenix Union High School District 210	620	Education
City of Phoenix	618	Government Services
Osborn Elementary School District 210	500	Education
Fry's Food Stores	490	Retail
Maricopa County	480	Government Services
Madison Elementary School District 38	450	Education
Shasta Industries Inc.	450	Non-Metallic Manufacturing
United States Federal Government	450	Government Services
UnitedHealth Group	450	Health Care
Maricopa County Community College	380	Education
CB Richard Ellis Inc.	370	Finance, Insurance, Real Estate
Alliance Residential LLC	360	Finance, Insurance, Real Estate





Financial Analysis

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Financial Summary

Valuation

List Price:	\$4,770,000
Down Payment:	\$1,908,000
Price Per Unit:	\$265,000
Price Per Net Rentable SF:	\$314
Proforma CAP Rate	6.23%
Proforma NOI	\$297,317
Proforma Leveraged Cash Flow	\$91,407

40% Down

Proposed Financing Terms

Loan Type:	First Trust Deed, Conventional
Loan Amount:	\$2,862,000
Interest Rate:	6.00%
Amortization (Years):	30
Annual Debt Service:	\$205,910
Debt Service Coverage Ratio (DSCR):	1.44X



	# of Units	Square Feet	Furnished	Net Rentable SF	Proforma	Rent / SF	Monthly Proforma	Yearly Proforma
UNIT TYPE								
1 BR / 1 BA	4	600 SF	No	2400 SF	1,150.00	\$1.92	\$4,600.00	\$55,200.00
2 BR / 1 BA	6	800 SF	No	4800 SF	1,400.00	\$1.75	\$8,400.00	\$100,800.00
3 BR / 2 BA	8	1000 SF	No	8000 SF	1,850.00	\$1.85	\$14,800.00	\$177,600.00
Total / Average	18	15200 SF		15200 SF	\$1,466.67	\$1.84	\$27,800.00	\$333,600.00

Financial Analysis

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Income & Expense (Proforma)

	Proforma	Per Unit
INCOME		
GROSS RENT	\$333,600	\$18,533
Vacancy Loss	16,680.00	5.00%
Other Rent Loss	3,336.00	1.00%
Total Economic Losses	20,016.00	6.00%
NET RENTAL INCOME	\$313,584	\$17,421
Other Income: RUBS [0]	\$21,600	\$1,200
Other Income: Pet Rent [1]	\$5,000	\$278
EFFECTIVE GROSS INCOME	\$340,184	\$18,899

EXPENSES	Proforma	Per Unit
Electric [2]	\$1,940	\$108
Insurance	\$5,409	\$300
Landscaping	\$2,500	\$139
Marketing	\$1,000	\$56
Pest Control	\$1,620	\$90
Pool Service	\$1,836	\$102
Real Estate Taxes	\$7,188	\$399
Repairs & Maintenance	\$8,000	\$444
Swimming Pool Permit	\$270	\$15
Trash	\$1,626	\$90
Water & Sewer	\$11,479	\$638
TOTAL EXPENSES	\$42,867	\$2,382
Expenses Per Square Foot	\$2.82	
% of EGI	12.60%	
NET OPERATING INCOME	\$297,317	\$16,518

[0] = Typically \$85 - 100 / month

[1] = Typically \$20-25/unit/month

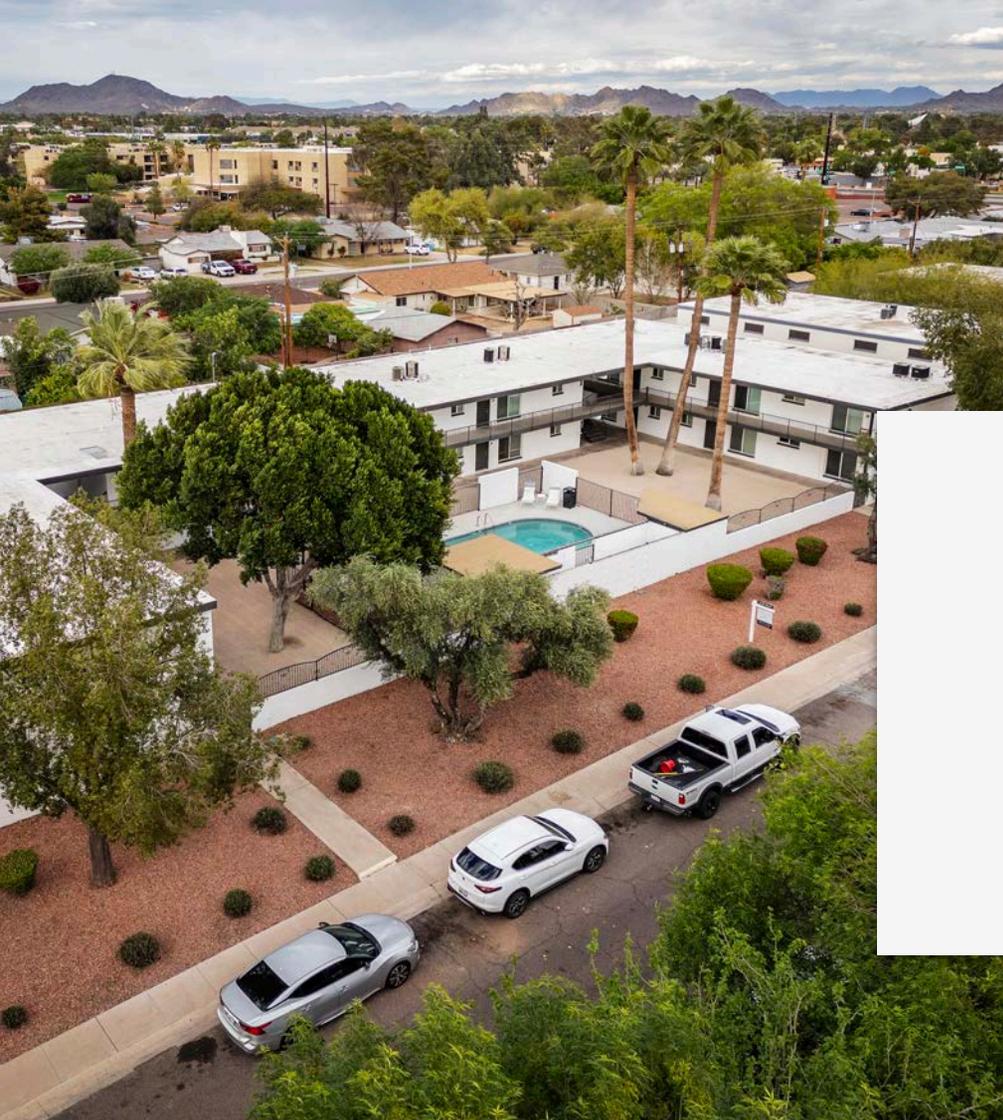
[2] = Units are Individually Metered, Covers Common Areas

\$4,770,000

ASKING PRICE

6.23%

PROFORMA CAP RATE



EXCLUSIVELY LISTED BY

COLLIN CORSMEIER

Listing Agent

(612) 770-1717

corsmeiercollin@gmail.com

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Homesmart, LLC has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements therein, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Offering Memorandum has been obtained from sources we believe to be reliable; however, Homesmart, LLC has not verified, and will not verify, any of the information contained herein, nor has Homesmart, LLC conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided.