404 STATE STREET

FORT MORGAN, CO 80701

PINNACLE
REAL ESTATE ADVISORS

CONFIDENTIAL OFFERING MEMORANDUM

404 STATE STREET

CONTACT US FOR MORE INFORMATION

ANDY MONETTE
VICE PRESIDENT
714.330.1436
AMONETTE@PINNACLEREA.COM

DAVID BAROCAS
SENIOR ADVISOR
303.669.2475
DBAROCAS@PINNACLEREA.COM

MORGAN WHEELER
DIRECTOR OF TEAM OPERATIONS
303.529.3762
MWHEELER@PINNACLEREA.COM

One Broadway Suite A300 | Denver, CO 80203 | T: 303.962.9555 | www.PinnacleREA.com

EXECUTIVE SUMMARY

PROPERTY OVERVIEW

This four-unit multifamily property located at Fort Morgan offers a compelling opportunity for investors seeking stable asset, with positive cash flow, in a growing regional market. The asset benefits from spacious units and consistent rental demand driven by the area's agricultural, industrial, and service-based employment base. Its manageable size allows for efficient operations while still providing scale beyond single-family rentals. With strong housing demand in the area, the property presents both immediate income and long-term value appreciation.

EXECUTIVE SUMMARY

PROPERTY DETAILS

BUILDING TYPE:	MULTIFAMILY
ESTIMATED BUILDING SIZE:	6,200 SF
ESTIMATED LOT SIZE:	9,147 SF
UNITS:	4
YOC:	1906 & 1995

INVESTMENT HIGHLIGHTS

- Back units newly built-out (2024)
- Highly desirable location overlooking Glenn Miller Park
- Spacious units with in-unit laundry
- Located in northern Colorado, one of the fastest-growing regions in the country

LOCATION OVERVIEW

MAJOR EMPLOYERS

1. **LEPRINO FOODS CO**
   One of the largest employers in the area and a major mozzarella cheese manufacturer supplying national chains; a huge economic anchor with 24/7 operations.
2. **CARGILL (FORT MORGAN BEEF PROCESSING FACILITY)**
   Significant regional employer driving blue-collar workforce demand.
3. **COLORADO PLAINS MEDICAL CENTER**
   Primary healthcare provider and major stable employer in the market.

GOVERNMENT / INSTITUTIONAL EMPLOYMENT

4. **MORGAN COUNTY SCHOOL DISTRICT RE-3**
   One of the largest consistent local employers.
5. **MORGAN COUNTY GOVERNMENT**
   Adds to employment base and economic stability.
6. **FORT MORGAN WORKFORCE CENTER**
   Represents regional employment infrastructure and job support services.

RETAIL & DAILY NEEDS (TENANT CONVENIENCE)

7. **WALMART SUPERCENTER**
   Major retail anchor and traffic driver.
8. **SAFEWAY**
   Key grocery option supporting residential demand.
9. **MCDONALD'S / STARBUCKS**
   National brands that help demonstrate livability.

TOTAL POPULATION		AVG HH INCOME		TOTAL HOUSEHOLDS	
1 MILE	7,450	1 MILE	$74,743	1 MILE	2,711
3 MILE	12,827	3 MILE	$73,400	3 MILE	4,755
5 MILE	13,785	5 MILE	$75,052	5 MILE	5,144

FINANCIAL ANALYSIS

FINANCIAL ANALYSIS

UNIT MIX AND AVERAGE RENT SCHEDULE

UNIT TYPE	No. of Units	Approx. SF	Current Rent	Monthly Income	Current Rent/SF	Pro Forma Rent	Monthly Income	Pro Forma Rent/SF
3Br/1.5Ba	2	1,200	$1,525	$3,050	$1.27	$1,600	$3,200	$1.33
3Br/2Ba	2	1,900	$1,750	$3,500	$0.92	$1,800	$3,600	$0.95
TOTAL	**4**	**6,200**		**$6,550**			**$6,800**	

INCOME			Current		Pro Forma
Gross Potential Income			**$78,600**		**$81,600**
Vacancy/Collection Loss	(Estimated)	5.00%	($3,930)	5.00%	($4,080)
Effective Rental Income			**$74,670**		**$77,520**
Other Income					
Miscellaneous			$0		$0
GROSS OPERATING INCOME			**$74,670**		**$77,520**

EXPENSES			
Taxes	(Actual 2026)	$2,121	$2,121
Insurance	(Actual 2026)	$6,477	$6,477
Gas & Electric	(Actual Trailing 12 Months)	$759	$782
Water & Sewer	(Actual Trailing 12 Months)	$3,108	$3,201
Trash	(Actual Trailing 12 Months)	$1,170	$1,205
Repairs & Maintenance	(Estimated $1000/unit)	$4,000	$4,000
TOTAL EXPENSES		**$17,635**	**$17,786**
Expenses per Unit		$3,627	$3,690
Expenses per SF		$2.34	$2.87
% OF EGI		19.4%	22.9%
NET OPERATING INCOME		**$57,035**	**$59,734**

PRICING ANALYSIS

Investment Summary		
Price:		$725,000
Price/Unit:		$181,250
Price/SF:		$116.94
Current CAP Rate:		7.87%

Proposed Financing		
Loan Amount:	75%	$543,750
Down Payment:	25%	$181,250
Interest:		6.500%
Amortization:		Interest Only

Current		
CASH FLOW INDICATORS		
Net Operating Income		$57,035
Debt Service		($35,344)
Net Cash Flow	11.97%	$21,691
Principal Reduction		$0
Total Return	11.97%	$21,691

VALUE INDICATORS	
CAP Rate	7.87%
Price Per Unit	$198,750
Price Per Foot	$128.23

Pro Forma		
CASH FLOW INDICATORS		
Net Operating Income		$59,734
Debt Service		($35,344)
Net Cash Flow	13.46%	$24,390
Principal Reduction		$0
Total Return	13.46%	$24,390

VALUE INDICATORS	
CAP Rate	8.24%
Price Per Unit	$198,750
Price Per Foot	$128.23

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 404 State Street 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 in 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.

PINNACLE
REAL ESTATE ADVISORS

One Broadway Suite A300
Denver, CO 80203
303.962.9555
www.PinnacleREA.com

404 STATE STREET

CONTACT US FOR MORE INFORMATION

ANDY MONETTE
VICE PRESIDENT
714.330.1436
AMONETTE@PINNACLEREA.COM

DAVID BAROCAS
SENIOR ADVISOR
303.669.2475
DBAROCAS@PINNACLEREA.COM

MORGAN WHEELER
DIRECTOR OF TEAM OPERATIONS
303.529.3762
MWHEELER@PINNACLEREA.COM

One Broadway Suite A300 | Denver, CO 80203 | T: 303.962.9555 | www.PinnacleREA.com