

NEVUTICA APARTMENTS

4439 W NEVADA PLACE, DENVER, CO 80219

IN THE **NEWELL** TEAM



Confidential Offering Memorandum



Nevutica Apartments

4439 W Nevada Place

Denver, CO 80219

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One Broadway, Suite A300
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THE NEWELL TEAM

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EXECUTIVE SUMMARY





Nevutica Apartments

4439 W Nevada Place, Denver, CO 80219

Units:	9
Year Built:	1956
List Price:	\$1,650,000
Price/Unit:	\$183,333
Price/SF:	\$257.01
Building Type:	Brick
Building Size:	6,420 SF
Lot Size:	0.29 Acres
Roof:	Pitched
Heating:	Forced Air
Parking:	9 Off-Street Spaces
Current CAP Rate:	6.18%

Property Features

- **4.03% Assumable Loan Fixed Through January 1st, 2027**
- Well Maintained Asset with Updated Kitchens, Bathrooms, Floors, Windows, Furnaces, Hot Water Heaters, Roof, Landscaping, Laundry Area, Sewer Line and Parking Lot
- All Two Bedroom Units
- 6.18% Current CAP Rate
- Huge & Immediate Rental Upside
- Individually Metered for Gas & Electric
- Private Back Patios
- Individual Tenant Storage & Coin-Op Laundry
- Less than 2 Miles from Belmar Shopping Center
- Priced Well Below Sale Comparables

Property Overview



FINANCIAL ANALYSIS



Income & Expenses 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
2 Bed 1 Bath	9	688	\$1,385	\$12,465	\$2.01	\$1,525	\$13,725	\$2.22
TOTAL	9	6,192		\$12,465			\$13,725	

INCOME

			Current	Pro Forma
Gross Potential Rent			\$149,580	\$164,700
Other Income				
Utility Reimbursement	(Actual - Trailing 12 Months/ Current Rent Roll Annualized)		\$1,964	\$3,780
Laundry Income	(Estimated: \$8/Unit/Month)		\$864	\$864
Late Fees/NSF	(Actual - Trailing 12 Months)		\$498	\$498
Total Other Income			\$3,326	\$5,142
Gross Potential Income			\$152,906	\$169,842
Vacancy/Collection Loss	(Estimated)	5.00%	(\$7,645)	5.00% (\$8,492)
EFFECTIVE GROSS INCOME			\$145,261	\$161,350

EXPENSES

Taxes	(Actual - 2024)		\$9,106	\$9,106
Insurance	(Actual - 2024)		\$8,020	\$8,020
Utilities	(Actual - Trailing 12 Months)		\$8,881	\$8,881
Maintenance & Repairs	(Estimated: \$850/Unit/Year)		\$7,650	\$7,650
Management Fee	(Actual - Trailing 12 Months/ Estimated: 7%)		\$6,152	\$11,294
Snow Removal/Landscaping	(Estimated: \$200/Month)		\$2,400	\$2,400
Administrative	(Actual - Trailing 12 Months)		\$1,000	\$1,000
TOTAL EXPENSES			\$43,209	\$48,351
Expenses per Unit			\$4,801	\$5,372
Expenses per SF			\$6.98	\$7.81
% OF EGI			29.7%	30.0%
NET OPERATING INCOME			\$102,052	\$112,998

Pricing Summary - Loan Assumption



Investment Summary

Price:	\$1,650,000
Price/Unit:	\$183,333
Price/SF:	\$257.01
Current CAP Rate:	6.18%

Loan Assumption

Loan Amount:	63%	\$1,036,000
Down Payment:	37%	\$614,000
Interest:	4.03%	
Amortization:	30 Years	
Fixed Period:	January 1, 2027	

Current

CASH FLOW INDICATORS

Net Operating Income		\$102,052
Debt Service		(\$63,247)
Net Cash Flow	6.32%	\$38,804
Principal Reduction		\$21,436
Total Return	9.81%	\$60,241

VALUE INDICATORS

CAP Rate	6.18%
Price Per Unit	\$183,333
Price Per Foot	\$257.01

Pro Forma

CASH FLOW INDICATORS

Net Operating Income		\$112,998
Debt Service		(\$63,247)
Net Cash Flow	8.10%	\$49,751
Principal Reduction		\$21,436
Total Return	11.59%	\$71,187

VALUE INDICATORS

CAP Rate	6.85%
Price Per Unit	\$183,333
Price Per Foot	\$257.01



Pricing Summary - New Loan



Investment Summary

Price:	\$1,650,000
Price/Unit:	\$183,333
Price/SF:	\$257.01
Current CAP Rate:	6.18%

Proposed Financing

Loan Amount:	65%	\$1,070,000
Down Payment:	35%	\$580,000
Interest:	5.51%	
Amortization:	Interest Only	
Interest Only Period:	3 Years	

Current

CASH FLOW INDICATORS

Net Operating Income		\$102,052
Debt Service		(\$59,776)
Net Cash Flow	7.29%	\$42,276
Principal Reduction		\$0
Total Return	7.29%	\$42,276

VALUE INDICATORS

CAP Rate	6.18%
Price Per Unit	\$183,333
Price Per Foot	\$257.01

Pro Forma

CASH FLOW INDICATORS

Net Operating Income		\$112,998
Debt Service		(\$59,776)
Net Cash Flow	9.18%	\$53,222
Principal Reduction		\$0
Total Return	9.18%	\$53,222

VALUE INDICATORS

CAP Rate	6.85%
Price Per Unit	\$183,333
Price Per Foot	\$257.01



Loan Quote

August 16, 2024



Freddie Mac Small Balance Loan Price Quote

4439 W Nevada

4439 W Nevada Pl
Denver, Colorado 80219
Denver County, CO

Loan Purpose

ACQUISITION

Good-faith deposit of 1% is due at rate lock and is refunded at close.

Quote contingent upon verification of historical operating statements and rent roll, full due-diligence on Borrower/Guarantor, review of the contingent liabilities, satisfactory review of Borrower organizational structure, and a FICO score greater than 680. Quote assumes no more than 50% of residents are active military, students or senior-housing tenants.

Borrower Financial Requirements: Liquidity greater than or equal to nine months of debt service and net worth greater than or equal to the loan amount.

Approximate annual payment subject to full underwriting; pricing adjusts weekly.

	Option 1 5 YR Fixed	Option 2 5 YR Fixed	Option 3 5 YR Fixed
Loan Amount	\$1,070,000	\$1,063,000	\$1,034,000
Term (Fixed Rate Floating)	5 YR 0 YR	5 YR 0 YR	5 YR 0 YR
Amortization	30 YR	30 YR	30 YR
Interest-Only Period	3 YR	3 YR	3 YR
Prepayment	>YM OR 1%	3,2,1,1,1	3,1,0,0,0
Rate Lock Period	Standard	Standard	Standard
Minimum Debt Coverage Ratio	1.200x	1.200x	1.200x
Maximum Loan-to-Value	80.00%	80.00%	80.00%
DCR as Underwritten	1.200x	1.200x	1.201x
LTV as Underwritten	64.85%	64.42%	62.67%
Estimated Interest Rate	5.51%	5.57%	5.82%
Approx. Annual Payment	\$72,985	\$72,988	\$72,962
Approx. Interest-Only	\$59,776	\$60,031	\$61,015
Freddie Mac Processing Fee	\$0	\$0	\$0
Third-Party Reports	\$7,000	\$7,000	\$7,000
Nonrefundable Processing Fee	\$2,500	\$2,500	\$2,500
Origination Fees	\$10,700	\$10,630	\$10,340
Estimated Closing/Legal Costs	\$6,000	\$6,000	\$6,000
Seismic Report (where required)	\$0	\$0	\$0
Total Due at Application	\$9,500	\$9,500	\$9,500
Estimated Total Cost	\$26,200	\$26,130	\$25,840

ADDITIONAL QUOTE STIPULATIONS

- Proposed loan terms are based on an estimated underwritten net operating income (NOI) of \$87,631 and are subject to satisfactory review of third party reports and Lender's final determination of value.
- Final loan amount may not exceed the maximum allowable loan-to-value (LTV) and minimum debt service coverage ratio (DSCR) indicated above. The terms are also subject to satisfactory review of organizational structure.
- Underwritten operating expenses and asset valuations must be supported, and may be reconsidered using appraisal conclusions.
- Assumes steady or improving T-3 collections and occupancy through closing. Minimum of 90% occupancy average over T-3.

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SALES COMPARABLES



Comparable Sales



**1650 Vance Street
Lakewood, CO**

1



Number of Units:	12
Year Built:	1952
Sale Price:	\$2,300,000
Sale Date:	09/29/2023
Price/Unit:	\$191,667
Price/SF:	\$363.01

Unit Mix:	
12	1Bd/1Ba

**2561 Jellison Street
Lakewood, CO**

2



Number of Units:	8
Year Built:	1959
Sale Price:	\$1,575,000
Sale Date:	02/26/2024
Price/Unit:	\$196,875
Price/SF:	\$240.38

Unit Mix:	
8	2Bd/1Ba

**1690 Eaton Street
Lakewood, CO**

3



Number of Units:	16
Year Built:	1961
Sale Price:	\$3,700,000
Sale Date:	02/26/2024
Price/Unit:	\$231,250
Price/SF:	\$242.05

Unit Mix:	
16	2Bd/1Ba

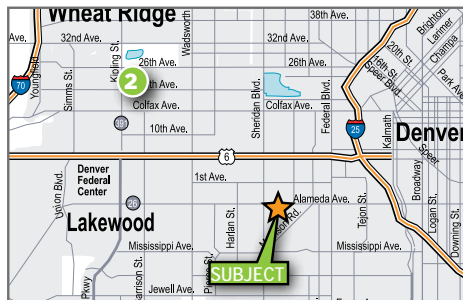
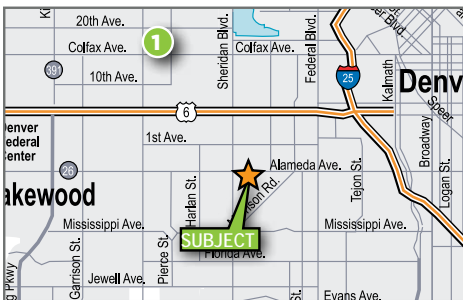
**1283 Lamar Street
Lakewood, CO**

4



Number of Units:	10
Year Built:	1972
Sale Price:	\$2,150,000
Sale Date:	07/01/2024
Price/Unit:	\$215,000
Price/SF:	\$257.12

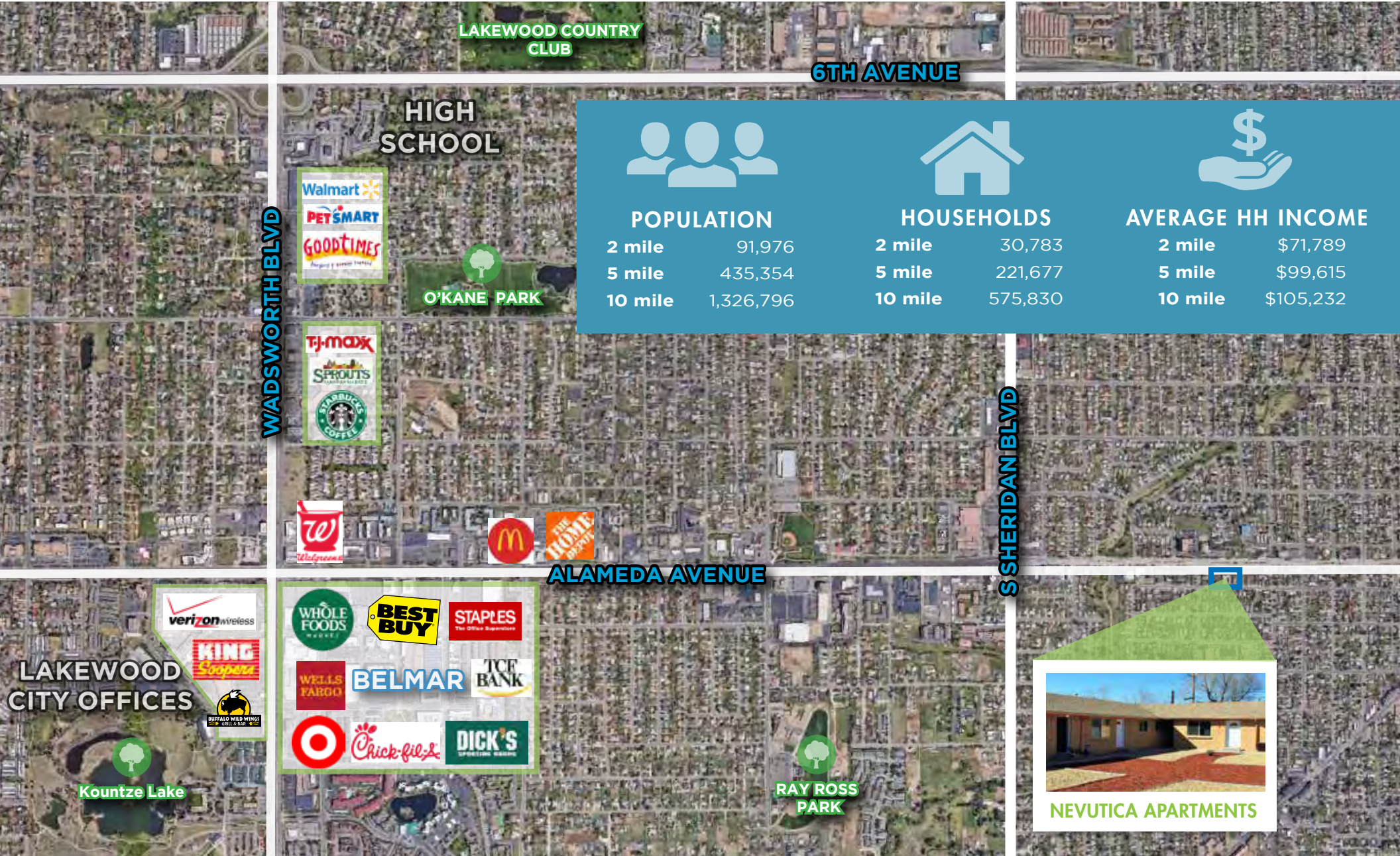
Unit Mix:	
10	2Bd/1Ba



LOCATION OVERVIEW



Location Overview



BELMAR SHOPPING DISTRICT

Just 2 miles from 4439 W Nevada Place is Belmar Shopping District. Belmar opened in 2004 and is a vibrant reinvention of downtown Lakewood that resembles an old town village center. The district is based around a central plaza, surrounded by restaurants and shops, that hosts concerts during the summer months and transforms into an ice skating rink during the winter.



Belmar covers 22 square city blocks and provides over 80 galleries that include restaurants, boutiques, coffee shops, movie theatre, bowling alley and art galleries. Some of the best national brands at Belmar include Nordstrom Rack, Sephora, Dicks, Lululemon, Target, Loft, Whole Foods, and Best Buy. The shopping Center hosts many fast food and sit-down dining options that include P.F. Chang's China Bistro, Chick-Fil-A and Ted's Montana Grill.

Location Overview



Disclaimer



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