



# OFFERING MEMORANDUM

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2701 Arlington Ave, Racine, WI 53403



Segal Goldman Realty Group

License: 76545-94

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**PRESENTED BY | 2701 Arlington Ave**

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**Alex Segal - Team Leader**

RE/MAX Service First

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DISCLAIMER: All income and expense information, with the exception of actual, verified historical numbers, represent a good faith projection of future potential rents. The Segal Goldman Realty Group and RE/MAX Service First make no representations as to whether these rent projections are actually attainable. Further, SGRG and RE/MAX Service First make no representations or warranties about square footage of units and condition and building/units. All buyers are encouraged to investigate market conditions, and research whether or not various rent increases are attainable.



# SUMMARY | 2701 Arlington Ave

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## PROPERTY DESCRIPTION

The Arlington Apartments are officially for sale! This solid brick 8 unit rests on a quiet residential block in Racine and features all larger 1BR bright and sunny units. Completely turn key and all units are currently occupied with room to raise rents. Tenants pay their own electric.

## PROPERTY SUMMARY

Property Address: 2701 Arlington Ave, Racine, WI 53403

Tax Number: 13853000

Year Built: 1934

Unit Count: 8

Number of Floors: 2

Building Sq footage: 5,490

Roof: composite

HVAC: natural gas boiler

Electric: circuit breakers

Parking: None

Laundry: None

Terms: As-Is

# RENT ROLL | 2701 Arlington Ave

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Unit #	Type	Term	Current Rent	Notes
1	1BR/1BA		\$750.00	
2	1BR/1BA		\$750.00	
3	1BR/1BA		\$875.00	
4	1BR/1BA		\$750.00	
5	1BR/1BA		\$650.00	
6	1BR/1BA		\$725.00	
7	1BR/1BA		\$875.00	
8	1BR/1BA		\$840.00	
<b>Total</b>	8 BR/ 8BA		\$6,215.00	

DISCLAIMER: Square footage of the units have not been verified by Broker.



# FINANCIALS | 2701 Arlington Ave

## PURCHASE PRICE

\$600,000

## CURRENT CAP RATE

6.24%

## PROFORMA CAP RATE

7.53%

## INCOME

### NOI

\$37,440

### MARKET NOI

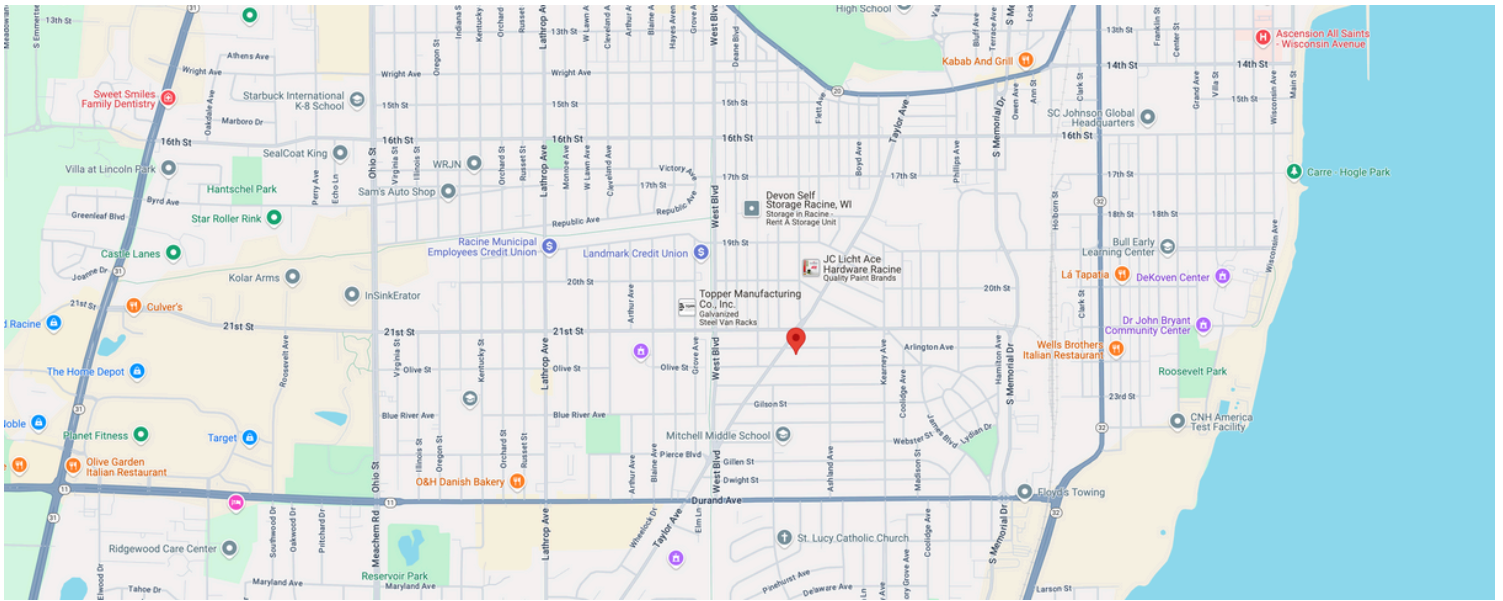
\$45,165

TOTAL INCOME	CURRENT	Disclaimer (current)	MARKET	Disclaimer (market)
Gross Potential Rent	\$74,580.00	Actual current rents	\$85,200.00	Proforma rents
5% Vacancy Loss	\$3,729.00		\$4,260.00	
Net Rent	\$70,851.00		\$80,940.00	
Add Income - Laundry	\$0		\$1,200.00	
GROSS ADJUSTED OPERATING INCOME	\$70,851.00		\$82,140.00	

## EXPENSES

TOTAL EXPENSES	CURRENT	OPEX % (current)	Disclaimer (current)	MARKET	OPEX % (market)	Disclaimer (current)
Taxes	\$9,072.00	12.8%	Actual	\$9,072.00	11.2%	Actual
Insurance - Property	\$2,340.00	3.3%	Per Owner	\$3,600.00	4.4%	Estimated Increase
Snow/Lawn	\$1,800.00	2.5%	Estimate	\$2,400.00	3%	Estimate
Gas	\$4,212.00	5.9%	Actual	\$4,212.00	5.2%	Actual
Common Electric	\$420.00	.6%	Actual	\$420.00	.5%	Actual
Water/Sewer/Fire	\$3,204.00	4.5%	Actual	\$3,204.00	4%	Actual
Trash	\$4,200.00	5.9%	Per Owner	\$4,200.00	5.2%	Per Owner
Pest	\$300.00	.4%	Estimate	\$300.00	.4%	Estimate
Maintenance	\$3,720.00	5.3%	Standard Estimate	\$3,720.00	4.6%	Standard Estimate
Property Management	\$3,542.55	5%	Standard Estimate	\$4,047.00	5%	Standard Estimate
Legal	\$600.00	.8%	Estimate	\$600.00	.7%	Estimate
Total Expenses	\$33,410.55	44.8%		\$33,915.00	39.8%	

# MAP VIEW | 2701 Arlington Ave



# COMPARABLE SOLD PROPERTIES | 2701 Arlington Ave



	Subject	Comparable #1	Comparable #2
<b>Address</b>	2701 Arlington Ave	1137 Valley Dr	2319 Maryland Ave
<b>Sold Price</b>	TBD	\$275,000	\$362,500
<b>Unit Count</b>	8	4	4
<b>Unit Type</b>	1bd, 1ba	1bd, 1ba	1bd, 1ba
<b>Unit Sq Ft</b>	750 or less	750 or less	750 or less
<b>Average Rent</b>	\$777	\$772.50	\$800
<b>Cost/door</b>		\$68,750	\$90,000
<b>Parking</b>	None	None	Off street
<b>Amenities</b>		Laundry	Laundry & storage

# COMPARABLE RENTAL PROPERTIES | 2701 Arlington Ave



	Subject	Comparable #1	Comparable #2	Comparable #3
<b>Address</b>	2701 Arlington Ave	3111 Wheelock	2301 Maryland	2319 Maryland
<b>Current Rent</b>	\$777	\$812	\$850	\$800
<b>Unit Type</b>	1ba, 1ba	1ba, 1ba	1ba, 1ba	1ba, 1ba
<b>Bedroom Count</b>	1	1	1	1
<b>Unit Sq Ft</b>	750 or less	750-1000	750 or less	750 or less
<b>Rent / sq. ft.</b>		\$1.17	\$1.33	\$1.33
<b>Utilities Included</b>	Water, sewer, trash	Water, sewer, trash	Water, sewer, trash	Water, sewer, trash
<b>Parking</b>	None	Off street	Off street	Off street
<b>Amenities</b>		Laundry & storage	Laundry & storage	Laundry & storage



# PHOTOS | 2701 Arlington Ave

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# MEET THE TEAM | 2701 Arlington Ave

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## **Alex Segal**

Alex, the group's leader, graduated from UW-Milwaukee in 2012 with a Bachelor's Degree in Marketing and has over 10 years' experience as a licensed real estate agent, while also being a landlord. He takes pride in assisting his clients by ensuring himself and the group are held to the highest ethical standards and provide superb customer service.

## **Graig Goldman**

Graig has been in the real estate industry for 30+ years in the Metro Milwaukee area. After graduating from the UW-Madison with a Bachelor's Degree in Business Administration and Accounting, he began investing in properties. Prior to becoming a full-time real estate agent, Graig practiced as a Certified Public Accountant and continues to keep his license active.

## **Dan Mickelsen**

Dan graduated from UW-Milwaukee with a BBA in Finance and Real Estate in 2000. His experience with construction, financial analysis, market analysis and complex real estate transactions, coupled with his unique perspective as a corporate real estate professional, private investor and homeowner provides his clients a complete understanding of the marketplace, their options, and alternatives.

## **Mitch Douglas**

Mitch has over 5 years' experience as a licensed real estate agent. He graduated from UW-Milwaukee in 2017 with a Bachelor's Degree in Marketing and Commercial Real Estate. His strong desire to learn and educate both himself and his clients in the real estate industry are what set him apart from the rest.

## **Sean Mirk**

Sean is a seasoned real estate agent from the Chicago area. He joins our group with a background in pharmaceuticals and a strong knowledge of elder care. His pharmacy license is still active to-date. Here in Wisconsin, he has partnered with a local, non-profit placement services company and strives to help his clients in a caring environment with a sensitive approach.

## **Danielle Knutson**

Danielle received an Associate's Degree in Real Estate in 2007 from MATC. She has worked in a variety of roles over the years such as legal, title, sales and property management. As the team's Licensed Administrator, she brings to the group a strong knowledge of the inner workings of the real estate industry along with an eye for the important details. She is the backbone of the group.



**DISCLOSURE TO CUSTOMERS**

1 Prior to negotiating on your behalf the brokerage firm, or an agent associated with the firm, must provide you the  
2 following disclosure statement:

3 **DISCLOSURE TO CUSTOMERS** You are a customer of the brokerage firm (hereinafter Firm). The Firm is either an agent  
4 of another party in the transaction or a subagent of another firm that is the agent of another party in the transaction. A  
5 broker or a salesperson acting on behalf of the Firm may provide brokerage services to you. Whenever the Firm is  
6 providing brokerage services to you, the Firm and its brokers and salespersons (hereinafter Agents) owe you, the  
7 customer, the following duties:

- 8 (a) The duty to provide brokerage services to you fairly and honestly.
- 9 (b) The duty to exercise reasonable skill and care in providing brokerage services to you.
- 10 (c) The duty to provide you with accurate information about market conditions within a reasonable time if you request  
11 it, unless disclosure of the information is prohibited by law.
- 12 (d) The duty to disclose to you in writing certain Material Adverse Facts about a property, unless disclosure of the  
13 information is prohibited by law (see lines 57-66).
- 14 (e) The duty to protect your confidentiality. Unless the law requires it, the Firm and its Agents will not disclose your  
15 confidential information or the confidential information of other parties (see lines 24-40).
- 16 (f) The duty to safeguard trust funds and other property held by the Firm or its Agents.
- 17 (g) The duty, when negotiating, to present contract proposals in an objective and unbiased manner and disclose the  
18 advantages and disadvantages of the proposals.

19 Please review this information carefully. An Agent of the Firm can answer your questions about brokerage services,  
20 but if you need legal advice, tax advice, or a professional home inspection, contact an attorney, tax advisor, or home  
21 inspector.

22 This disclosure is required by section 452.135 of the Wisconsin statutes and is for information only. It is a plain-  
23 language summary of the duties owed to a customer under section 452.133(1) of the Wisconsin statutes.

24 **CONFIDENTIALITY NOTICE TO CUSTOMERS** The Firm and its Agents will keep confidential any information given to the  
25 Firm or its Agents in confidence, or any information obtained by the Firm and its Agents that a reasonable person  
26 would want to be kept confidential, unless the information must be disclosed by law or you authorize the Firm to  
27 disclose particular information. The Firm and its Agents shall continue to keep the information confidential after the  
28 Firm is no longer providing brokerage services to you.

- 29 The following information is required to be disclosed by law:
- 30 1. Material Adverse Facts, as defined in Wis. Stat. § 452.01(5g) (see lines 57-66).
  - 31 2. Any facts known by the Firm or its Agents that contradict any information included in a written inspection  
32 report on the property or real estate that is the subject of the transaction.

33 To ensure that the Firm and its Agents are aware of what specific information you consider confidential, you may  
34 list that information below (see lines 36-40). At a later time, you may also provide the Firm or its Agents with other  
35 information you consider to be confidential.

36 **CONFIDENTIAL INFORMATION:** \_\_\_\_\_  
37 \_\_\_\_\_

38 **NON-CONFIDENTIAL INFORMATION** (the following information may be disclosed by the Firm and its Agents): \_\_\_\_\_  
39 \_\_\_\_\_

40 \_\_\_\_\_ (Insert information you authorize to be disclosed, such as financial qualification information.)

41 **By signing and dating below I /we acknowledge receipt of a copy of this disclosure and that**

42 \_\_\_\_\_ and \_\_\_\_\_ are  
43 **Agent's Name ▲ Firm's Name ▲**

44 working as: **(Owner's/Listing Broker's Agent) (Buyer's/Tenant's Agent or Buyer's Broker's Agent) STRIKE ONE**

45 **THIS IS A DISCLOSURE AND NOT A CONTRACT. Wisconsin law required the Firm to request the customer's**  
46 **signed acknowledgment that the customer has received a copy of this written disclosure statement if the Firm**  
47 **will provide brokerage services related to real estate primarily intended for use as a residential property**  
48 **containing one to four dwelling units. SIGNING THIS FORM TO ACKNOWLEDGE RECEIPT DOES NOT CREATE**  
49 **ANY CONTRACTUAL OBLIGATIONS BY EITHER THE CUSTOMER OR THE FIRM.**

50 **See the reverse side for definitions and sex offender registry information.**

51 \_\_\_\_\_  
52 Customer Signature ▲ Date ▲ Customer Signature ▲ Date ▲  
53 Customer's Name: \_\_\_\_\_ Customer's Name: \_\_\_\_\_

No representation is made as to the legal validity of any provision or the adequacy of any provision in any specific transaction.  
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54 **NOTICE ABOUT SEX OFFENDER REGISTRY**

55 You may obtain information about the sex offender registry and persons registered with the registry by contacting the  
56 Wisconsin Department of Corrections on the Internet at <http://www.doc.wi.gov> or by telephone at 608-240-5830.

57 **DEFINITION OF MATERIAL ADVERSE FACTS**

58 A "Material Adverse Fact" is defined in Wis. Stat. § 452.01(5g) as an Adverse Fact that a party indicates is of such  
59 significance, or that is generally recognized by a competent licensee as being of such significance to a reasonable  
60 party, that it affects or would affect the party's decision to enter into a contract or agreement concerning a transaction  
61 or affects or would affect the party's decision about the terms of such a contract or agreement.

62 An "Adverse Fact" is defined in Wis. Stat. § 452.01(1e) as a condition or occurrence that a competent licensee  
63 generally recognizes will significantly and adversely affect the value of the property, significantly reduce the structural  
64 integrity of improvements to real estate, or present a significant health risk to occupants of the property; or information  
65 that indicates that a party to a transaction is not able to or does not intend to meet his or her obligations under a  
66 contract or agreement made concerning the transaction.